



**TO LOCK
PERMANENTLY**

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with a blunt
instrument.

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JULY 1945

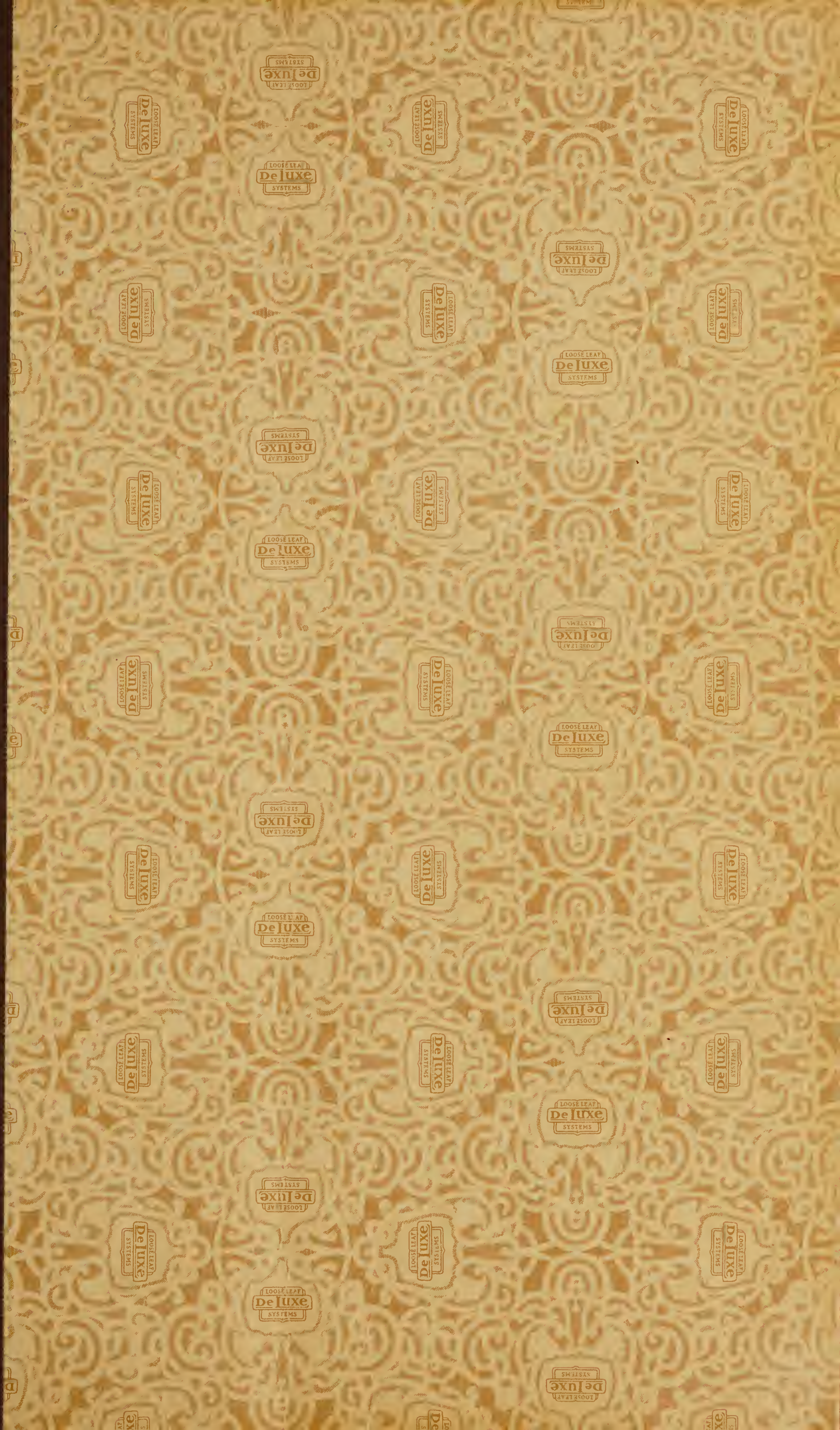
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JULY 1957

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FRONT

ASSETS & LIABILITIES

July 1945

Items in transit	
Registered warrants	553.50
Union Bank	37,282.56
First Nat. Bank	51,462.93
Bonds	1,823,047.41
Account #763-2	
Furniture & Fix.	3,653.35
Total	<u>1,915,999.75</u>

Annuity Savings	1,728,808.21
Expense Fund	2,822.39
Penn Acc Fund	114,212.50
Annuity Reserve	66,798.54
Eq. Reserve	500.00
Interest	2,597.93
In transit	260.18
Total	<u>1,915,999.75</u>

August 1945

Items in transit	2,814.80
Registered warrants	553.50
Union Bank	22,143.15
First Nat. Bank	31,945.95
Bonds	1,813,529.91
Furniture & Fix.	3,382.38
Total	<u>1,874,369.69</u>

Annuity savings	1,716,816.63
Expense Fund	1,873.68
Penn Acc Fund	86,412.10
Annuity Reserve	66,169.35
Equipment Res.	500.00
Interest	2,597.93
Items in Transit	
Total	<u>1,874,369.69</u>

September 1945

Items in transit	6,262.85
Registered warrants	595.14
Union Bank	16,235.04
First Nat. Bank	15,612.57
Bonds	1,813,529.91
Furniture & Fix.	3,382.38
Total	<u>1,855,617.89</u>

Annuity Savings	1,698,543.23
Expense Fund	1,400.85
Penn Acc Fund	69,801.01
Annuity Reserve	68,701.87
Equipment Res.	500.00
Interest	16,670.93
Items in Transit	
Total	<u>1,855,617.89</u>

October 1945

Items in transit	25,275.90
Registered warrants	617.09
Union Bank	7,659.20
First Nat. Bank	2,814.06
Bonds	1,813,529.91
Furniture & Fixture	3,382.38
Total	<u>1,853,278.54</u>

Annuity Savings	1,703,239.05
Expense Fund	2,498.87
Penn Acc Fund	64,350.31
Annuity Reserve	66,019.27
Equipment Res.	500.00
Interest	16,671.04
Items in Transit	
Total	<u>1,853,278.54</u>

November 1945

Items in transit	35,173.35
Registered warrants	1,080.57
Union Bank	30,136.29
First Nat. Bank	9,835.44
Bonds	1,813,529.91
Furniture & Fix.	3,382.38
Total	<u>1,893,137.94</u>

Annuity Savings	1,732,109.78
Expense Fund	3,716.35
Penn Acc Fund	74,255.82
Annuity Reserve	65,609.02
Equipment Res.	500.00
Interest	16,946.97
Items in transit	
Total	<u>1,893,137.94</u>

December 1945

Items in transit	42,001.92
Registered warrants	1,729.59
Union Bank	74,106.05
First Nat. Bank	16,227.99
Bonds	1,811,779.91
Furniture & Fixtures	3,382.38
Total	<u>1,949,227.84</u>

Annuity Savings	1,770,721.70
Expense Fund	3,302.85
Penn Acc Fund	88,507.22
Annuity Reserve	65,360.23
Equipment Res.	500.00
Interest	20,835.84
Items in Transit	
Total	<u>1,949,227.84</u>

ASSETS & LIABILITIES

January 1946

Items in transit	54,808.68
Registered warrants	489.12
Union Bank	21,864.02
First Nat. Bank	27,590.69
Bonds	1,890,308.04
Furniture & Fix.	3,382.38

Total 1,998,442.93

Annuity savings	1,803,406.85
Expense fund	2,727.44
Penn Acc fund	104,132.61
Annuity Reserve	65,276.51
Equipment Res.	500.00
Interest	22,399.52

Items in transit
Total 1,998,442.93

February 1946

Items in transit	64,587.12
Registered warrants	476.30
Union bank	49,699.24
First Nat. Bank	35,435.18
Bonds	1,890,308.04
Furniture & Fix.	3,382.38

Total 2,043,888.26

Annuity savings	1,833,046.23
Expense fund	3,490.89
Penn Acc Fund	119,049.34
Annuity reserve	64,770.16
Equipment Res.	500.00
Interest	23,031.64

Items in Transit
Total 2,043,888.26

March 1946

Items in transit	60,921.09
Registeres warrants	818.79
Union Bank	83,838.46
First Nat. Bank	49,645.51
Bonds	1,890,308.04
Furniture & Fix.	3,382.38

Total 2,088,914.27

Annuity Savings	1,854,716.19
Expense Fund	2,941.26
Penn Acc. Fund	128,238.56
Annuity Res.	65,413.43
Equipment Res.	500.00
Interest	37,104.83

Items in Transit
Total 2,088,914.27

April 1946

Items in transit	63,915.98
Registered warrants	1,703.00
Union Bank	21,715.99
First Nat. Bank	64,087.58
Bonds	1,969,401.85
Furniture & Fix.	3,382.38

Total 2,124,206.78

Annuity Savings	1,885,100.11
Expense fund	2,268.08
Penn Acc fund	135,201.54
Annuity Res.	64,824.64
Equipment Res.	500.00
Interest	36,312.41

Items in transit
Total 2,124,206.78

May 1946

Items in transit	55,702.70
Registered warrants	3,033.65
Union Bank	48,160.85
First Nat. Bank	77,334.16
Bonds	1,969,401.85
Furniture & Fix.	3,382.38

Total 2,157,015.59

Annuity savings	1,913,067.86
Expense fund	1,359.43
Penn Acc. Fund	141,325.19
Annuity Reserve	64,311.83
Equipment Res.	500.00
Interest	36,451.28

Items in Transit
Total 2,157,015.59

June 1946

Items in transit	28,767.57
Registered warrants	908.08
Union Bank	99,347.96
First Nat. Bank	66,357.85
Bonds	2,011,890.14
Furniture & Fix.	3,382.38

Total 2,210,653.98

Annuity Savings	1,971,033.60
Expense fund	708.24
Penn Acc. Fund	174,611.24
Annuity Res.	63,800.90
Equip Res.	500.00
Interest	

Items in Transit
Total 2,210,653.98

ASSETS & LIABILITIES

July 1946

Items in transit 5,841.05
 Registered warrants 1,039.75
 Union bank 86,905.70
 First Nat. Bank 53,079.27
 Bonds 2,011,890.14
 Furniture & Fix. 3,382.38

Total 2,162,138.29

Annuity Savings 1,919,463.70
 Expense fund 4,657.41
 Penn Acc fund 151,052.72
 Annuity Res. 84,644.53
 Equip. Res. 500.00
 Interest 1,819.93

Items in Transit
 Total 2,162,138.29

August 1946

Items in transit 5,905.79
 Registered warrants 1,039.75
 Union Bank 64,392.07
 First Nat. Bank 34,532.22
 Bonds 2,011,890.14
 Furniture & Fixtures 3,382.38

Total 2,121,142.35

Annuity Savings 1,895,778.77
 Expense fund 4,151.96
 Penn Acc fund 134,534.43
 Annuity Reserve 83,732.26
 Equipment Res. 500.00
 Interest 2,444.93

Items in Transit
 Total 2,121,142.35

Sept. 1946

Items in transit 21.70
 Registered warrants 2,144.59
 Union Bank 52,350.41
 First Nat. Bank 31,415.63
 Bonds 2,011,890.14
 Furniture & Fix. 3,382.38

Total 2,101,204.85

Annuity Savings 1,877,432.11
 Expense fund 3,086.61
 Penn Acc Fund 117,392.43
 Annuity Res. 86,275.77
 Equipment Res. 500.00
 Interest 16,517.93

Items in Transit
 Total 2,101,204.85

October 1946

Items in transit
 Registered warrants 2,116.54
 Union Bank 23,431.44
 First Nat. Bank 26,116.42
 Bonds 2,011,890.14
 Furniture & Fixtures 3,382.38

Total 2,066,936.92

Annuity Savings 1,855,835.08
 Expense fund 2,242.07
 Penn Acc fund 95,729.17
 Annuity Reserve 85,343.10
 Equipment Res. 500.00
 Interest 16,517.93
 Items in transit 10,769.57

Total 2,066,936.92

November 1946

Items in transit
 Registered warrants 4,972.60
 Union Bank 64,821.90
 First Nat. Bank 21,380.36
 Bonds 2,011,890.14
 Furniture & Fixtures 3,382.38

Total 2,106,447.38

Annuity Savings 1,865,707.14
 Expense fund 3,102.77
 Penn Acc fund 89,626.95
 Annuity Reserve 84,398.99
 Equipment Res. 500.00
 Interest 16,654.52
 Items in transit 46,457.01

Total 2,106,447.38

December 1946

Items in transit
 Registered warrants 5,772.96
 Union Bank 49,659.78
 First Nat. Bank 42,065.90
 Bonds 2,060,140.14
 Furniture & Fix. 3,170.20

Total 2,160,808.89

Annuity Savings 1,910,207.97
 Expense Fund 4,239.11
 Penn Acc. Fund 106,060.43
 Annuity Reserve 85,031.66
 Equipment Reserve 500.00
 Interest 22,951.39
 Items in Transit 31,818.33

Total 2,160,808.89

ASSETS & LIABILITIES

January 1947

Items in transit	
Registered warrants	8,335.83
Union Bank	57,732.01
First Nat. Bank	41,176.89
Bonds	2,110,140.14
Furniture & Fix.	3,170.20
Total	<u>2,220,555.07</u>

Annuity savings	1,941,748.00
Expense fund	4,813.49
Penn Acc Fund	119,764.62
Annuity Reserve	88,240.10
Equipment Reserve	500.00
Interest	24,771.17
Items in Transit	40,717.69
Total	<u>2,220,555.07</u>

February 1947

Items in transit	
Registered warrants	1,008.57
Union Bank	83,224.98
First Nat. Bank	56,375.73
Bonds	2,110,140.14
Furniture & Fixtures	3,170.20
Total	<u>2,253,919.62</u>

Annuity savings	1,984,774.38
Expense fund	4,184.30
Penn Acc. fund	140,917.79
Annuity Reserve	88,597.52
Equipment Reserve	500.00
Interest	25,473.53
Items in Transit	9,472.10
Total	<u>2,253,919.62</u>

March 1947

Items in transit	
Registered warrants	1,090.58
Union Bank	107,452.83
First Nat. Bank	33,019.21
Bonds	2,160,140.14
Furniture & Fix.	3,170.20
Total	<u>2,304,872.96</u>

Annuity Savings	1,999,590.25
Expense fund	3,209.46
Penn. Acc fund	140,198.14
Annuity Reserve	89,903.44
Equipment Reserve	500.00
Interest	39,565.40
Items in transit	31,906.27
Total	<u>2,304,872.96</u>

April 1947

Items in transit	60,464.16
Registered warrants	3,916.94
Union Bank	54,011.10
First Nat. Bank	27,370.23
Bonds	2,263,733.89
Furniture & Fixtures	3,270.93
Total	<u>2,412,767.25</u>

Annuity savings	2,085,630.46
Expense Fund	2,339.84
Penn Acc Fund	195,974.81
Annuity Reserve	89,545.96
Equipment Res.	500.00
Interest	38,776.18
Items in Transit	
Total	<u>2,412,767.25</u>

May 1947

Items in transit	81,308.63
Registered warrants	5,318.49
Union Bank	62,061.76
First Nat. Bank	54,810.63
Bonds	2,263,733.89
Furniture & Fixtures	3,270.93
Total	<u>2,470,504.33</u>

Annuity savin, s	2,127,750.67
Expense fund	1,896.47
Penn acc. Fund	212,476.81
Annuity Reserve	89,103.74
Equipment Reserve	500.00
Interest	38,776.64
Items in transit	
Total	<u>2,470,504.33</u>

June 1947

Items in transit	35,353.32
Registered warrants	1,099.59
Union Bank	82,968.20
First Nat. Bank	114,553.96
Bonds	2,283,919.01
Furniture & Fix.	3,270.93
Total	<u>2,521,165.01</u>

Annuity savings	2,191,485.31
Expense fund	117.32
Penn Acc. Fund	240,130.23
Annuity Reserve	88,432.15
Equipment Reserve	1,000.00
Interest	
Items in transit	
Total	<u>2,521,165.01</u>

ASSETS & LIABILITIES

July 1947

Items in transit 10,777.67
 Registered warrants 1,099.59
 Union Bank 75,336.28
 First Nat. Bank 63,677.87
 Bonds 2,325,056.71
 Furniture & Fix. 3,270.93

Total 2,479,219.05

Annuity Savings 2,146,227.80
 Expense fund 4,539.15
 Penn Acc. Fund 217,478.55
 Annuity Res. 108,808.05
 Equipment Res. 1,165.50
 Interest 1,000.00
 Items in Transit

Total 2,479,219.05

August 1947

Items in transit 2,776.63
 Registered warrants 1,213.37
 Union Bank 56,091.63
 First Nat. Bank 41,384.09
 Bonds 2,327,581.71
 Furniture & Fix. 3,004.50

Total 2,432,051.93

Annuity Savings 2,118,030.58
 Expense fund 3,750.84
 Penn Acc fund 198,289.23
 Annuity Reserve 108,003.42
 Equipment Reserve 1,000.00
 Interest 2,977.86
 Items in transit

Total 2,432,051.93

September 1947

Items in transit 3,938.46
 Registered warrants 1,943.30
 Union Bank 47,991.05
 First Nat. Bank 21,404.85
 Bonds 2,327,581.71
 Furniture & Fixtures 3,067.75

Total 2,405,927.12

Annuity Savings 2,099,409.07
 Expense fund 2,571.23
 Penn. Acc. fund 180,041.07
 Annuity reserve 105,229.89
 Equipment reserve 1,000.00
 Interest 17,675.86
 Items in transit

Total 2,405,927.12

October 1947

Items in transit 27,232.82
 Registered warrants 5,066.09
 Union Bank 1,307.17
 First Nat. Bank 329.45
 Bonds 2,377,581.71
 Furniture & Fixtures 3,067.75

Total 2,414,584.99

Annuity savings 2,099,398.34
 Expense fund 3,868.69
 Penn Acc. Fund 177,722.20
 Annuity reserve 114,919.86
 Equipment reserve 1,000.00
 Interest 17,675.90
 Items in transit

Total 2,414,584.99

November 1947

Items in transit
 Registered warrants 9,598.12
 Union bank 27,139.74
 First Nat. Bank 12,900.06
 Bonds 2,377,581.71
 Furniture & Fix. 3,197.35

Total 2,430,416.98

Annuity savings 2,108,779.38
 Expense fund 4,428.14
 Penn Acc. fund 170,526.83
 Annuity reserve 114,071.63
 Equipment Res. 1,000.00
 Interest 17,814.48
 Items in transit 13,796.52

Total 2,430,416.98

December 1947

Items in transit 4,803.34
 Registered warrants 91,662.74
 Union Bank 44,721.84
 First Nat. Bank 2,375,831.71
 Bonds 3,197.35
 Furniture & Fixtures

Total 2,519,216.98

Annuity savings 2,144,313.63
 Expense fund 4,112.02
 Penn Acc. Fund 180,907.12
 Annuity Res. 114,137.53
 Equipment reserve 1,000.00
 Interest 26,527.61
 Items in transit 48,219.07

Total 2,519,216.98

ASSETS & LIABILITIES

January 1948

Items in transit		Annuity savings	2,202,837.02
Registered warrants	1,588.24	Expense fund	3,200.76
Union Bank	61,361.72	Penn Acc. Fund	208,667.66
First Nat. Bank	90,369.31	Annuity Reserve	113,031.15
Bonds	2,425,831.71	Equipment Res.	1,000.00
Furniture & Fixtures	3,293.35	Interest	29,197.54
		Items in transit	24,510.20
Total	<u>2,582,444.33</u>	Total	<u>2,582,444.33</u>

February 1948

Items in transit		Annuity savings	2,239,101.20
Registered warrants	912.17	Expense fund	3,584.44
Union Bank	86,970.22	Penn Acc. Fund	215,165.13
First Nat. Bank	96,222.12	Annuity Reserve	112,811.37
Bonds	2,425,831.71	Equipment res.	1,000.00
Furniture & Fixtures	3,293.35	Interest	29,832.22
		Items in transit	11,735.21
Total	<u>2,613,229.57</u>	Total	<u>2,613,229.57</u>

Meeting of Retirement Committee of M.F.O.A.
Held in Madison Room, Hotel LaSalle, Chicago, July 23rd & 24th, 1945

Attended by about 40 Secretaries and members of Boards of Public Employees and Teachers Retirement Organizations all over the nation. A very large percentage of the delegates represented teacher groups and the discussions revolved around teacher groups a great deal of the time. The gathering was informal and held as round table discussions with four major topics under discussion, divided into morning and afternoon discussions on the two days.

First Session. Federal Social Security.

A brief of the Murray-Wagner Bill S1050 was presented. High lights of the discussion revealed that all political units having retirement plans were barred from participation but otherwise any unit not so protected could petition and make separate agreements with the Federal Social Security Board for coverage. For instance, it would take an act of the Montana Legislature to bring Montana State Employees under the Federal Plan. The chief reasons for avoiding the Federal plan are---lower benefits, no prior service rights, later retirement age than some state plans, loss of state control of funds and ultimate higher costs. Some of the prominent reasons for joining the Federal plan are---overall coverage for persons in many occupations and in different locations, hoped-for medical benefits, unemployment benefits and present low rate of contribution.

Since existing State Systems are exempt the two big national groups interested (MFOA & NEA) have accepted this bill as one acceptable to the majority. Those in attendance who knew Senator Wagner state they feel this is his last and ultimate effort in presentation of a Social Security Bill.

One other point was discussed by some in whose states the matter had reached a condition worthy of consideration. This was the case of public servants who had excluded themselves from existing State Systems, now banding together with the hope in mind of petitioning their legislatures to request Federal Social Security protection. In Montana this could be a real threat if the Wagner Bill is passed and the present Public Employee's Retirement Act didn't perform the task assigned to it,--that of providing adequate coverage at a reasonable rate.

The Second Topic of discussion concerned investment problems and interest earnings. This topic concerned us little since our legal source of investments are restricted, but there were three points well worth bringing back to you for your consideration. First, Insurance companies who have had quite a lot of experience in F.H.A. Mortgage loans have found that the supposed earnings of $4\frac{1}{2}\%$ have shrunk to 3% when costs of handling the loans have been subtracted. Second, most systems are discovering that annuities are not reaching expected amounts because of the reduced earning powers during this period of low interest. Some systems have found on inspection that their Act guarantees a fixed rate of interest, like 4%, and so they are forcing the state to make up the difference between real earnings and the fixed rate. Or in other words, they are subsidizing the annuity. Montana could not do this under the present law since the Board is required to set the rate by the earning rate. The only out for Montana teachers is to increase the rate of contributions if they expect to get the annuity originally expected.

Another plan being tried is to pass extra interest earned over actual amount needed in credits for A.S.F. accounts on to the Annuity Reserve Account to help lagging annuities. In Montana our law would not permit such action since all interest goes to the P.A.F. fund and any overage helps pensions, not annuities.

The third and most interesting phase of this discussion concerned the experience

of those systems permitting loans against accounts to teacher members. Some four or five systems represented at the meeting permitted these loans and all reported excellent experience and an excellent source of income, charging from 4 to 6% interest. The New York City System permits loans up to 25% of the account---they charge 6% and limit the loan to 3 years. It is to be repaid in equal monthly installments and the person must have been a member for at least 3 years to be eligible. Unpaid balance at death or retirement is deducted from reserves on hand before a settlement is made. Some of you will recall this subject was briefly discussed in December of 1940 but was quickly squashed.

The Third Major Subject was various methods of financing systems. This, of course, meant expression of the various pro's and con's of reserve plans, pay-as-you-go plans and half and half plans. Those old wealthy systems that had been able to get millions for their reserves looked down their noses at the system who, by reason of circumstances, had to rely on pay-as-you-go methods. Colorado has recently joined the ranks of pay-as-you-go with a 3½% Employer contribution. It was notable that many systems had been able to build reserves out of employer contributions and that is what is hoped for Montana. We are anticipating establishment of at least partial reserves from the excess of this and from experiences gained it would seem that as a unit of measure it would be desirable to build up a reserve fund of at least enough to equal one year's contributions by the teachers. In dollars and cents to Montana this would mean about \$350,000.00.

This is a subject difficult to cover because opinions varied so greatly and so many had had varied experiences that it was difficult to reach one basic thought. The nearest approach to it was the thought that if experience had indicated full reserves were impossible to attain, which all agreed was the safest and cheapest method, then determine the minimum amount of reserve you could use as a safety measure and strive to obtain it. The experience of two of the country's largest systems makes interesting reporting. New York city has 160 million in liabilities, of which 140 million has been covered by actual cash. In New Jersey they have 400 million in liabilities of which their legislature has covered 300 million with actual appropriations.

The Fourth Session was divided into two parts, (a) income tax exemptions for Teachers Retirement Annuitants and (b) questions and a recap of previous discussions. The tax exemption program is one that is of great importance. There are two bills in Congress now that have reasonable chances of passage. The Weiss Bill, exempting retirement pensions up to \$2000.00 and the Koegh Bill, exempting retirement pensions up to \$1440.00. Much of the agitation stems from the exemption from Income Tax now enjoyed by pensioners under the Railroad Retirement Act and the Federal Social Security. Miss Hatch, a member of the N.Y. City Board made quite a plea for no compromise and complete exemption of all pension money but she failed to get a majority support; most seemed to favor the Koegh Bill with exemption up to \$1440.00 plus the usual \$500.00 personal exemption---the M.F.O.A. group are fostering this legislation.

Some interesting figures about retired teachers were presented. It seems that in the nation there are 300,000 now retired, of which 35,000 are from the city of New York, and the average annuity is \$1280.00. It has only been since 1939 that pensioners have had to pay income taxes. Chance of passage seems poor for this year but the prospects are fairly good for next year.

The Secretary of the Colorado System reported that the Federal Tax Collector in his district had made a request for an income tax payment on earnings of the institution---this report resulted in consternation by all. No one else had heard of any such attempt to collect taxes from a state institution. It was agreed that in case any such attempt was made elsewhere that payment be

denied until some sort of court action clarified the situation. The M.F.O.A. group promised assistance if another case came up.

Other points discussed were problems resulting from coverage for continuous temporary employees by public employee groups which were seeking coverage from the Federal Social Security.

As a program to be followed by M.F.O.A. they expect to protect the rights of existing state and municipal retirement systems and promote the strength and growth of such systems.

*Submitted by
Roll W. Harper.*

RETIREMENT BOARD MEETING

September 29, 1945

Meeting called to order at 10:40 A.M. by Chairman Miss Ireland. ~~Also~~ present were Miss McNelis and Mr. Daylis, the Executive Secretary and the Actuary. Mr. Bottomly and Mr. Porter were absent.

Minutes of the June meeting were read by the Secretary and approved as read. The Executive Secretary read his report.

A motion was made by Miss McNelis and seconded by Mr. Daylis to approve the pension and office payrolls for the months of October, November and December of 1945 in the approximate amounts of \$21,000 and \$800 per month, respectively. Motion approved.

Mr. Daylis made a motion to approve the request of Ada Warner for membership with prior service rights. Miss McNelis seconded the motion and it was approved.

The various cases of membership of new school nurses in Butte, Billings, Helena and Missoula were discussed at some length. The Executive Secretary was instructed advise in cases of question that if the nurse is paid wholly from school district money she must be a member.

Margaret Lee applied for membership with prior service rights. Based on Mr. Bonner's opinion in 1941, that protects rights of those for whom no payment was made through no fault of their own, Mr. Daylis moved that her application be approved. It was seconded by Miss McNelis and approved.

Formal approval was granted Mr. Harper's Chicago Convention trip by a motion made by Mr. Daylis and seconded by Miss McNelis.

Miss McNelis takes the chair.

Miss Ireland moved that in the considered judgement of this Board that if any teacher or administrator of education in the school system of Montana has refused membership in the Teachers' Retirement System that he or she should be refused the privilege of membership in the Public Employees' Retirement System. Seconded by Mr. Daylis. Vote--two in favor, temporary chairman McNelis not voting.

Miss Ireland resumes chair.

The case of Edgar D. Johnson was passed for consideration at the next meeting. The purchase of the second hand R.C. Allen Electric Adding Machine and the second hand Bourroughs Posting Machine and two new typewriters, when available, were approved by a motion by Mr. Daylis and seconded by Miss McNelis.

Pension applications given temporary approval were approved by motion of McNelis and seconded by Daylis. They were as follows:

Ella Conklin	Dorothy Silverman
Katherine Byron	W. D. Tallman
Margaret O'Malley	Florence Hetrick

New applications for pension were approved on motion by Mr. Daylis and seconded by Miss McNelis as follows:

Stella Peck	Johanna Rasmussen	James P. Wilhelm
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Mr. Young requested that a member of the Teachers Retirement Board be appointed to work with a member of the Public Employees' Retirement Board to discuss improvements of law for next session. No action was taken.

Next meeting scheduled for December 1st, at 9 A.M.
Meeting adjourned.

(continued on page 6)

Elizabeth Ireland
Chairman
Robert W. Harper
Secretary

The minutes of the September 29th Board Meeting were corrected at the December 1st meeting to read that all votes recorded were unanimous, except in the one case where the individual votes were recorded.

Emory H. Leland

Chairman

Robert W. Harper

Secretary

7
Board Meeting of December 1, 1945.

Meeting called to order at 9:30 A.M. All members of the Board were present except Miss Ireland. Mr. Daylis acted as chairman of the meeting. The secretary was present but the actuary was absent.

The minutes of the September 29th meeting were read. Mr. Bottomly moved that a correction be made in recording notes. If the vote was unanimous the records should so indicate and if not, list the persons' individual votes. Mr. Porter seconded the motion and the vote was unanimously in favor of the motion.

The Secretary read his report. In regard to the insertions for the January check, it was suggested that the M.E.A. be asked to provide a statement in regard to the income tax exemptions.

Miss McNelis moved that the Pension payrolls of approximately \$2100.00 per month for January, February and March of 1946 be approved. Mr. Porter seconded the motion and it was unanimously approved.

Miss McNelis moved that the office payrolls of approximately \$850.00 per month for January, February and March of 1946 be approved. Motion seconded by Mr. Porter and unanimously approved.

On the motion of Miss McNelis and seconded by Mr. Bottomly, the case of Edgar Johnson's request for membership was continued to the next meeting. Motion approved unanimously.

Miss May Flanagan (retired) requested permission to make a \$100.00 additional deposit to purchase a larger annuity. Mr. Bottomly moved she be permitted to do so, the motion was seconded by Miss McNelis and unanimously approved.

The case of Sue Baldwin of Butte was discussed but since she is not a member of the present Retirement System and made no request no action was taken.

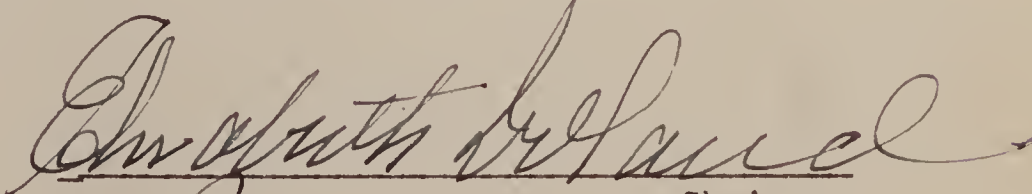
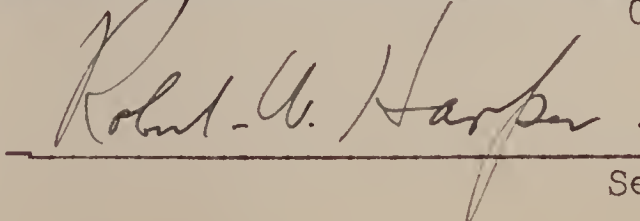
Mr. Bottomly moved that the following resolution be made by the Board:-

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various funds.

Mr. Porter seconded the motion which was approved unanimously.

Miss McNelis moved that the pension application of Carrie Allderdice be approved and that the Actuary be instructed to compute the amount. Mr. Bottomly seconded the motion which received unanimous approval.

The Board set the date of the next meeting as March 23, 1946, at 9:30 A.M.
Meeting adjourned at 10:15 A.M.


Chairman

Secretary

Dec 1 1945

It is my extreme pleasure to report that the work of posting the accounts is proceeding even more successfully and faster with the new machine than I had allowed myself to hope. It would be my pleasure to demonstrate it to each member of the Board. Our posting operations are keeping up to a reasonable time after arrival in the office.

The fall rush of business caused other departments to lag behind, so in order to take care of this situation it has been necessary to hire a high school boy for extra work and we also used a former employee just returned from the Army for about 10 days in order to catch up postings of the employers contribution.

So far we have had only a few cases where the district failed to remit the employers contribution and these are contacted at once. The omission is largely due to oversight or lack of information. To date no one has objected to it. Collection for the pension fund for September amounted to \$27,140.12 and for October \$29,679.31. From these figures we have reason to expect that our income from this source might reach \$258,000 to \$260,000 annually. If this proves to be true it will give us a chance to build a slight reserve for the future, since our expected expenditure from this fund should approximate \$245,000 per year.

Since last July, when interest payments on refunds were withdrawn, your secretary has watched with some apprehension the reactions on the loss of interest. It is only in rare cases that there is enough interest involved to cause a comment, but never-the-less we occasionally get a blasphemous letter from some person who is losing \$50.00 to \$70.00. We have used the tactics of endeavoring to sell them on the good being done with their money in the payment of pensions and the securing of permanence for the System. So far nothing serious has happened, except blowing off of steam. I can't promise that will always be true but we can hope it will. It might be mentioned that some who have written heatedly haven't taken their money yet either.

One of the subjects discussed at the Chicago meeting last summer pertained to efforts being made to release recipients of State Retirement allowances from paying income taxes on pensions. Three bills have been introduced in Congress to exempt retired school teachers' pensions from taxation in some degree. The one most favored and most likely of passage is H.B. #456, introduced by Representative Koegh, which would exempt from gross income the first \$1440.00 of pension money received. The N.E.A. originally took the position of not supporting the measure but since it has developed that the Railroad Retirement Board and the National Typographical Union members have gotten such exemption, and those receiving pensions under the National Social Security law likewise, it seems that the teachers' claim to exemption is as valid as the others. A request has been made by the N.E.A. that a note should be enclosed with the January checks advising the annuitants briefly of the situation and suggesting they write to Congressmen urging the adoption of a measure to give relief to teachers receiving small retirement allowances. What is the Board's pleasure of this?

Membership in the System is about the same as last year. From last month's you will remember the total was 6818 members.

Later in the meeting a resolution is requested to set the rate of interest for the present year. The rate earned does not quite equal $2\frac{1}{2}\%$, the present assumed rate. I discussed this with Mr. Young before he left and he felt that it hadn't gone low enough to warrant any change. With the war over it may not be long before we can purchase F.H.A. mortgages and thus help our earning rate.

Rev. Harper

RESOLUTION NO. 20

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various funds.

Signed

Mary McNeilis
Just Dwyer
Leo P. Porter
W. J. Gattaway
Charles W. Ireland

Dated December 1, 1945

March 23rd.

Meeting called to order by chairman, Miss Ireland, at 9:45. All members were present, also the Actuary and the Secretary. The minutes of the December 1st meeting were read. Miss McNelis moved the minutes be approved. Mr. Daylis seconded the motion which was unanimously approved. The executive secretary read his report which was approved unanimously upon a motion made by Miss McNelis and seconded by Mr. Daylis.

Mr. Daylis moved that the pension payrolls of about \$21,200.00 for the months of April, May and June be approved. Motion seconded by Miss McNelis, unanimously approved. Miss McNelis moved that the office payrolls for the months of April, May and June be approved in the approximate amount of \$850.00 per month. Unanimously approved.

After some discussion Mr. Bottomly moved that the request of Mr. Johnson for membership in the Retirement System be continued to the next meeting when more facts could be made available. The motion was seconded by Miss McNelis and unanimously approved.

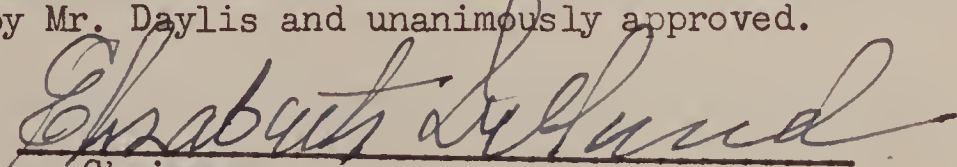
Correspondence in the case of Miss Sue Baldwin was received by the Board and the case was discussed. The secretary was instructed to send the customary application form to her and all necessary blanks for her to establish her total teaching service.

Mr. Bottomly moved that the check #15575, issued to Edith Holloway on September 29, 1945, in the amount of \$43.89 for her September pension, be recalled and cancelled since it was received by her before her death and not cashed by her before her death which occurred on about October 6, 1945, and since said check is properly a part of her estate it is further ordered that the secretary be instructed to issue another check in a like amount for the same purpose, to the administrator of the estate. Miss McNelis seconded the motion which was unanimously approved.

A motion was made by Mr. Daylis and seconded by Miss McNelis to approve the secretary's attendance at the Chicago meeting of the National Council on Teachers Retirement in March of 1946. It was unanimously approved.

Miss McNelis moved that the disability claim of Miss Elizabeth Emery be allowed. It was seconded by Mr. Daylis and unanimously approved. Mr. Daylis moved that the pension application of H. A. Veeder be approved. Motion seconded by Miss McNelis and unanimously approved. Miss McNelis moved that the pension application of W. A. Chittick be granted. Mr. Daylis seconded it and unanimous approval was given.

Mr. Porter moved that the next meeting be 9:30 A.M. on June 15, 1946. Seconded by Miss McNelis and unanimously approved. Motion made to adjourn by Mr. Porter, seconded by Mr. Daylis and unanimously approved.


Chairman


Secretary

EXECUTIVE SECRETARYS REPORT

March 23, 1946

Since the Board last met we have been quite busy with routine matters that need attention during the winter months. All accounts were checked for delinquencies and notices sent to clerks of districts that were delinquent. These have all been cleared and all districts are now either paid up to date or very close to it. We had three bad cases for a while---S.E. 9 & 15, Glacier County and S.D. 21 of Yellowstone. These are now all paid.

We have mailed out 293 notices to members who have been absent from teaching for 2 years and must return to teaching by next fall to be eligible for retention of their rights. There were mailed 199 notices of expiration of rights to those whose period of absence has passed 3 years and a simultaneous request that their account be withdrawn. There were 98 notices sent to those who we have listed as having been in the Military Service, informing them of their rights. Naturally quite a heavy percentage of these notices are returned to us undelivered.

Posting operations and all other work in the office is progressing nicely and the posting machine is proving exceedingly satisfactory.

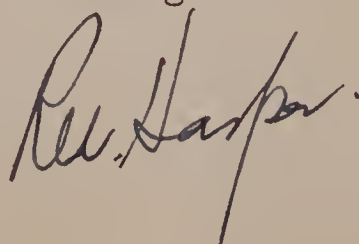
Mrs. Ruth Cheadle left our employ on February 1st with the return of our service man and former employee, Jack Schroeder. He started on a \$130.00 to \$145.00 scale.

I have been invited to speak to several school groups in Montana and have accepted these invitations because I feel so urgently that the method of computation of pensions should be clarified in an effort to reduce the let-down at retirement from some of the misconceived notions about what they have reason to expect as a retirement allowance. I feel also that the importance of the interest factor in figuring retirement allowances should be clearly brought to their attention. I hope the Board agrees to this new point. Talks on these subjects have been given at the State College, State University, Deer Lodge and Red Lodge. Due to a conflict in dates I was unable to accept the invitation at Hamilton.

Notices of required resignation, because of age, were sent to 14 persons. Only 3 of these are actually retiring with a benefit. The other 11 will only be eligible for refunds since they were being hired during the war to help out and have not taught for a good many years.

The condition of the expense fund is good. Balance on hand March 1st was \$3,490.89. A conservative estimate of income for the remaining three months is \$1,100.00, making a total available of \$4,590.00. A very liberal allowance for our present rate of expense would come to about \$3,920.00, leaving a comfortable margin.

A letter regarding tax exemption for Retirement benefits was drawn up and given to Mr. Moe for his signature. A copy of the letter is herewith presented. It was sent out with the January checks. Reference is made again to this subject in the Chicago meeting report.



NATIONAL COUNCIL ON TEACHERS' RETIREMENT SYSTEM
Meeting in Chicago, March 15 & 16

The meeting was exceedingly well attended, even more than its sponsors expected. The N.E.A. was represented by Dr. Remlen and Dr. Hubbard. Mr. George B. Buck was also in attendance and gave an interesting discussion. Copies of the program are herewith presented for your inspection. The topics were well chosen and of great interest to those in attendance.

In as few words as possible I'll brief the speeches made by each one listed on the program. Those persons listed after each speech were called on to give extemporaneous talks on the subject. They were generally about 5 to 7 minutes long and touched off a clinical discussion that followed--for three-fourths to one hour. These discussions were excellent.

Mr. Howell. The relationship between the Retirement office and the retired teacher was emphasized--urged a better recognition of the teacher's service to the community and cited the use of a certificate or card as a symbol of this recognition at time of retirement. His suggestion that the retired teachers be more publicly acclaimed came as rather a surprise since our experience had been that the retiring teacher had little desire for publicity on the occasion of her retirement. Perhaps Mr. Howell's viewpoint is accountable from the fact that his is a one unit system and closely aliened with the employer.

Mr. Shuter. He described in some detail the office procedures used in the Ohio State System. His remarks were very interesting from a secretary's standpoint. Of a general nature there were 3 points worthy of mention; first, Ohio has found that half of its membership retires, second, the ceiling on employee and employer payment is \$3000 and third, they make a practice of having retired teachers name a bank to whom their benefits shall be sent and credited direct. A good idea and a way to eliminate outstanding checks, provided every teacher has a bank account.

Mr. Murray. As secretary of one of the largest systems his descriptions of procedures were interesting and while many ideas presented were things we might one day be able to use they were not necessarily applicable now. They did, however, indicate trends of future problems that we might minimize by laying ground work now. He stressed his numerical system of filing and the use of expensive but heavy folders for correspondence file. He stated they used two methods of collecting their accounts for the teachers and the employer, one, the deduction from state allocation of funds--used in 97% of their business--and second, the direct remittance made by the school. They also use the one payment plan per year--for both teacher and employer. The membership of the System is 53000 and they have 6000 retired teachers, receiving \$465,000.00 per month in benefits. The office staff is made up of an Executive Secretary, one Mortgage man, 15 Clerks and 3 Stenographers and they say that the cost of running the office is 1/10 of 1% of the salaries of all teachers, which is paid entirely out of the employers contribution.

Mr. Bellevilles' comments were largely on the lighter side, but he did mention one thing well worth bringing back. They found that a number of teachers had been misrepresenting their ages so now they require proper evidence of date of birth and where previous statements proved false a lump sum payment is required to bring their own account up to the proper amount. He also claimed to be earning 4% on deposits and this fact reminds me that it was clearly indicated that quite a few systems are guaranteeing 4%, which can only mean one thing--the state makes up the difference between the real earning rate and the stipulated rate.

Mr. Buck emphasized the advantages of the full reserve plan and the lowering of costs to the taxpayer by the earning capacity in interest of these reserves. He cited the New York City System as the oldest reserve plan with assets of \$80,000

per teacher. He did admit that it was often lots easier to pass the original legislation than it was to get the money.

Mr. Raphart said that the general pattern of allowable investment portfolios were much alike--which is like Montana. Ten systems in the U.S. permitted only Federal tax obligations, nine permitted Municipal Bonds in addition to our plan, only 3 allowed for Real Estate investments. As an indication of increased cost to the annuitant, because of lower earnings, he stated that it now took \$1800 of deposits to give \$10.00 per month at age 60, while it used to be only \$1600. He cited three major controls as influencing the interest earnings:-(1) demand for money, (2) gold reserve and (3) government control. In the period of 1942 to 1946 the last of these over-shadows all else. He predicts at least 10 years of low interest earnings and warns against lowering of investment standards in an effort to preserve rate of earning.

Mr. Pogee. He reports that chances of removal of all teachers from threat of Federal Coverage is quite good. Hearings now being held are not on Murray-dingle bill but instead on a separate plan which would make coverage of teachers by group request instead of mandatory. Hope of passage of a bill to relieve retired teachers of income tax payments seems remote for 1946 but some hope it can be covered in a revised tax bill in 1947.

Miscellany.

Ohio uses two rates of interest, 2% for withdrawal and 4% for retirement. Deficit in interest to be collected from school districts. They recently included a "vested right" for retirement for anyone who had 10 years or more of service.

A word of warning issued on lowering of Retirement age.

Make an effort to build up a sort of equalization fund to provide a minimum benefit.

A group resolution sent to Secretary of Treasury Stinson to permit Retirement Systems to buy direct Treasury Bonds at any time without paying premiums on open market.

Only one Retirement System gives to the public information as to teachers' records.

Five states permit death benefits being made in installments.

Mr. Buck, in commenting on relative worth of fixed and variable rates of contribution by teacher, stated that the variable or graded rate indicates a definite benefit, a fixed rate indicates an indefinite benefit.

Very few Systems allowed interest on current year's deposits, paid only balance forward.

Some elements in Washington State are seeking to get a state pension for teachers of \$100 per month for 30 years of service with annuity added thereto.

Many other points were discussed and it seemed each unit was anxious to know what the other fellow did so he could improve his own. I'd say the meeting was excellent.

RL Harper

RETIREMENT BOARD MEETING

June 14, 1946

Meeting called to order at 9:45 A.M. All members were present except Mr. Porter who was absent because of illness. The secretary was present but the actuary was out of the city. The minutes of the March 25th meeting were read and approved as read. The secretary's report was read and accepted. Mr. Daylis moved that the employment of Joe Vantura as clerk be approved. Mr. Bottomly seconded the motion and it was unanimously approved. Mr. Daylis moved to approve the payrolls for the months of July, August and September as follows:- pension, approximately \$21,000.00 per month and office, approximately \$850.00 per month, subject to changes authorized at this meeting.

Edgar Johnson case-- Mr. Daylis moved that Mr. Johnson be permitted to re-invest his money to regain prior service rights and continue membership; there was no second to the motion so it was lost. Mr. Bottomly moved that Mr. Johnson's request be denied because of the operation of the law. Miss McNelis seconded the motion. Mr. Bottomly, Miss Ireland and Miss McNelis voted aye and Mr. Daylis did not vote. The motion was approved.

Miss Sue Baldwin's application for a pension was read. Mr. Daylis moved that her application be denied because it does not come under the legal provisions of the Teachers Retirement System. Mr. Bottomly seconded the motion. Mr. Bottomly, Mr. Daylis and Miss Ireland voted aye. Miss McNelis did not vote.

Grace Henderson requested that she be granted prior service on basis of illness preventing her from teaching from 1937 to 1941. Motion made by Mr. Daylis to continue her case until next meeting so that her teaching location of 1936-37 could be clarified. Miss McNelis seconded the motion and it was unanimously approved.

Mrs. Melinda S. Quale requested continuation of her membership with prior service, despite her absence of more than 3 years and teaching less than 5 years out of 10. She claimed illness as an excuse. Mr. Bottomly moved that the case be continued until the next meeting.

Motion was made by Mr. Daylis and seconded by Mr. Bottomly that the secretary be instructed to transfer \$5000 from the Pension Accumulation Fund to the Expense Fund as of July 1, 1946.

Moved by Miss McNelis and seconded by Mr. Bottomly that Charles Hardy's disability application be approved. Unanimously approved.

It was moved by Mr. Daylis and seconded by Miss McNelis that Nellie C. Mulholland's disability application be approved. It was unanimously approved.

The disability application of Mamie Riggs received unanimous approval on the motion of Mr. Bottomly and seconded by Miss McNelis.

Mr. Bottomly moved that the following pension applications be approved for July 1, 1946 payments and that their records be given to the actuary for computation. Mr. Daylis seconded the motion which was unanimously approved.

Jennie J. Anderson
Lewis Beeler
Louise Bernier
Marcia Crum
Jane Donovan
Minnie P. Elliott
Susan Finn
Margaret Gilbert
Florence Goodson
Mary B. Healy

Georgia M. Higgins
Jessica Hunt
Isabel Kelley
Pearl A. Lee
Emily Lyman
J. D. McDowell
Edna Mann
Elizabeth Mitchell
Blanche Newell
Mary E. Pettegrew

May Russell
Theo K. Russell
Mary Louise Schaefer
Charles Scherf
William Schrieber
Ella Spaford
Lois Troumbley
Jessie Wear
Margaret Wear
Herman Weisberg
Opal Vandewark

Miss McNelis moved that the following incomplete applications be approved for July payment as soon as records were completed.

Mae Cornish

Jessie Palmer Hall

Mr. Bottomly seconded the motion which was unanimously approved.

By unanimous approval of the Board members, the following annual salary schedules were approved to begin July 1st, on motion duly made and seconded.

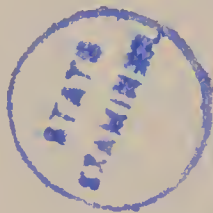
Executive Secretary	\$4000.00
Posting Clerk	1920.00
Stenographer	1980.00
Clerk	1500.00 to 1600.00
Actuary	1400.00

It was moved and seconded that the next meeting of the Retirement Board be September 21st at 9:30 A.M. Motion approved.

Meeting adjourned at 11:45 A.M.

Elizabeth S. Leland
Chairman

Robert L. Harper
Secretary



*1. Application
with 30 days*

EXECUTIVE SECRETARY' REPORT

June 1946

Financial and statistical reports herewith presented will cover adequately the figures as to the financial condition of the System. The past few months have been busy ones with routine work coincidental with the ending of the school term and the close of our ninth fiscal year of operation. Refunds are about as usual and as previously reported, not without some abuse over the interest factor.

The bank account is ample for our summer needs and even some small investment in bonds---about \$20,000.00. We, of course, will be prepared for our annual audit and I'm happy to say our posting operations have been most satisfactory with the new machine.

Income to the Pension Accumulation fund has been \$232,269.26 to June 1st and probably will reach \$260,000.00 by the end of the year. We have had no trouble in collecting this item. No delinquent accounts remain uncollected except the usual few districts whose clerks are just naturally slow, which is quite normal with 1900 clerks to collect from.

The cost of operating the office for the closing year will approximate \$13,800.00 and an expense estimate of \$14,400.00 is suggested for next year. A request of a transfer is made later in the meeting, as needed. One problem regarding the office that I feel should have your attention is where we will move to during the coming legislature. May I suggest that I be permitted to obtain some information on possible downtown places during the summer months so a report can be made at the fall meeting. I have already talked to Mr. Fitzsimmons about something at the Capitol and there simply isn't anything now, or in sight.

Our ex-service man, Jack Schroeder, who re-employed on the basis of his military rights has left us to accept other employment. Joe Vantura, a recent graduate of Helena High School now occupies that position at a salary of \$120.00 per month, subject to your approval.

Notices of compulsory retirement or withdrawal from employment were sent in March to 15 persons, since our records indicated they would attain 70 before September 1, 1946. Four of these have benefit rights and have, or will, apply for benefits. They are:-

Beulah V. Adams
Sheldon E. Davis

Minnie Page Elliott
Jane E. Donovan

Eleven of them have re-entered the profession during the shortage after many years of absence and have no benefit rights. They are:

Evelina M. Adams
Evalyn A. Bowman
Luke B. Gardner
Jettie Hart
Kathryn W. McIntyre

Mrs. J. B. Miller
Arthur A. Morr
M. L. Roark
Mary Gertrude Roe
Edna Criger Ross

Mrs. Jane Smith

Results of various trips to meet and discuss the Retirement System with various groups have been very good. It is hoped to be able to make a trip up on the high line and through eastern counties to wind up prior service and contact local groups next fall.

Meeting of Sept. 21, 1946

Meeting called to order by Chairman Ireland at 10:00 A.M. All present except Mr. Porter and Mr. Bottomly.

The minutes of the June 14th meeting were read and approved by unanimous consent. The Executive Secretary's report was read and a motion made by Miss McNelis to approve the report. Mr. Daylis seconded the motion and it was unanimously approved.

On a motion made by Mr. Daylis and seconded by Miss McNelis, unanimous approval was given to the payrolls for the months of October, November and December of 1946 in the following approximate amounts: \$23,500.00 per month for pensions and \$950.00 per month for office.

Under old business the following cases were discussed:

Mrs. Grace Henderson asked for prior service credits based on teaching 1936-37 in Fergus County, S.D. #127, and illness constituting temporary disability for the years 1937 to 1941, causing her to be absent for more than 3 years. Miss McNelis moved she be allowed the prior service credits on basis of doctor's statement of illness. Mr. Daylis seconded the motion. Unanimously approved.

Mrs. Melinda S. Quale asked for retention of 9 and 3/9 years of prior service which has already been recorded, for longer absence than 3-year period. Reason given was due to illness. Since doctor's affidavits covering illness were submitted Mr. Daylis moved her request be granted. Seconded by Miss McNelis and unanimously approved.

Under new business, Mr. LeRoy Keilman requested he be given 3 years of prior service although he did not teach in Montana during 1936-37. He claimed inability to get a job was the cause. Since no part of the law covered such a request Mr. Daylis moved the request be denied. Miss McNelis seconded it and the motion was unanimously approved.

Miss McNelis moved that the Retirement office transfer to the old High School as of August 1, 1946 until after the legislature, be approved. Motion seconded by Mr. Daylis and unanimously approved.

The Board also unanimously approved the purchase of \$40,000.00 Federal Bonds (1967-72 @ 2½%) last June on the motion of Mr. Daylis and seconded by Miss McNelis.

The disability application of Clara Sheeks was unanimously approved in the motion of Miss McNelis and second of Mr. Daylis.

The disability application of Alice Halverson Wilson was denied since it was felt the doctor's report so far did not indicate a permanent disability. This was done by a motion made by Mr. Daylis, seconded by Miss McNelis. The motion received unanimous consent.

The following pension applications were approved for payment as computed by the Actuary on the motion of Miss McNelis, which was seconded by Mr. Daylis and received unanimous approval.

Sheldon Davis
Clara E. Folsom

Alfred E. Koenig
May W. MacDonald

Bessie Robinson
Luella Tate

The next meeting was set for December 7th at 10:45 A.M.

Meeting adjourned.

Chas. Ireland
Chairman

Robert A. [illegible]
Secretary

EXECUTIVE SECRETARY' REPORT

Not long after the last meeting we were informed by the Capitol Custodian that we would have to move out of our quarters by August 1st. A frantic search for space followed---as you may imagine, office space is as scarce as living space. It was found that the old high school was available; this was reported to the Custodian and negotiations resulted in the securing of this space for ourselves and others. The cost is considerably higher than we have paid and higher than anticipated but we can do nothing but pay it and hope that now, with the War Assets Administration sharing the building, the costs will run lower. The School Board has taken a firm stand in demanding its price with no service---electrical or janitor not included. The first month's rent was \$50.00 but we hope the ones from now on will be less.

We have had three deaths in the retired group, Mary Alsop, John Woodard and Edith Vernon, and six have returned to teach. These nine will offset the seven applications herewith presented.

Statement cards have been mailed to about 2000 accounts, both new and old. The Bank Examiners finished their work early in the summer and you each have probably received their report. The Examiner's comments about the bank balance is a little unwarranted, as I explained to him, it is necessary that we have a substantial balance in the banks at the beginning of the summer to carry us through the period without much of an income.

The total income for the first year of employers' contribution came to \$277,685.96.

Joe Vantura changed his plans about continuing in our employ and is instead attending Carroll College. We have in his place Mrs. Joy Cronin as clerk, subject to the Board's approval.

We were able to purchase \$40,000.00 of U.S. Treasury Bonds in June, and request the purchase of a replacement desk this year.

R. A. Harper.

RETIREMENT BOARD MEETING

Dec. 7, 1946

Meeting called to order by temporary chairman, Mary McNelis, at 11:20 A.M. Mr. Porter and Miss Ireland were absent; quorum consisted of Miss McNelis, Mr. Bottomly and Mr. Daylis. Mr. Young, the Actuary, and Mr. Harper, the Secretary, were also present. The minutes of the September 21st meeting were read and given unanimous approval. The Executive Secretary read his report, which was unanimously approved on the motion of Mr. Daylis and second of Mr. Bottomly.

Mr. Bottomly moved that the pension payrolls, of approximately \$23,000 per month, be approved for the months of January, February and March; seconded by Mr. Daylis and given unanimous approval.

Mr. Daylis moved the office payrolls, of approximately \$950 per month, be given approval for the months of January, February and March, unanimous approval was given. Mr. Bottomly moved that the Executive Secretary be authorized to pay the rent and other charges connected with the occupation of office space in the old high school. Seconded by Mr. Daylis and given unanimous approval.

Mr. Daylis moved that the following resolution be approved to continue the present rate of interest:-

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various funds.

Motion seconded by Mr. Bottomly and unanimously approved.

Mr. Daylis moved that the Attorney General be requested to defend the Retirement Board in the case of any suit being filed against the Retirement Board or System. Motion seconded and unanimously approved.

Mr. Bottomly moved that the Biennial report, as presented, be approved for publication with two changes---- add a paragraph to explain Non-Ledger items and second, add a paragraph to draw attention to heavy turnover and need for additional financial aid to schools of Montana. Mr. Daylis seconded the motion which received unanimous approval.

Mr. Bottomly moved that the Executive Secretary be empowered to attend the meeting of the National Council on Teachers Retirement in Atlantic City, March 3rd and 4th, 1947 with all expenses paid. Motion seconded by Mr. Daylis and given unanimous approval.

Mr. Daylis moved that the Executive Secretary be empowered to buy our 1946 and 1947 limit in Series G Bonds in the next 30 days and put the remainder of \$75,000 in U.S. Treasury Bonds 1967-72. Mr. Bottomly seconded the motion and it was unanimously approved.

Mr. R. W. Hespen of Three Forks requested permission to obtain the years of service from September 1, 1937 by making deposits of 5% of salary since 1937. Request based on his not having previously requested exemption and late understanding of plan. His request was granted on motion of Daylis and seconded by Mr. Bottomly and given unanimous approval.

On the motion of Mr. Bottomly and seconded by Mr. Daylis unanimous approval was given the following pension applications and the Actuary was instructed to compute the amount of the pensions

Beatrice F. Davis
Edna Comstock

Mr. Bottomly moved that the Executive Secretary notify all members of the Board

in writing in the event of any emergency arising in regard to the Legislature so that if need be a special meeting may be called. Motion seconded by Mr. Daylis and given unanimous approval.

Upon motion duly made, seconded and approved, the date of the next regular meeting was set for March 15th at 10:45 A.M.

Meeting adjourned at 12:15 A.M.

Elizabeth Ireland Chairman
Robert W. Haynes Secretary

RESOLUTION NO. 21

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various funds.

Signed

Mary McNelis
Frank Dwyer
Leo P. Porter
Elmer A. Ireland

Dated December 7, 1946

EXECUTIVE SECRETARY'S REPORT

Dec. 7, 1946

The membership of the System seems to be larger than last year. A large portion of this increase comes from the increased staffs of the University System. It is also noted that there are more teachers in the public schools than before. Payments are coming in the proper manner and we are slowly digging out from the back-log of posting that always piles up each fall while we change our account sheets and set up new ones. No other item of unusual interest has occurred in the office during the fall months.

Beginning Nov. 4th and continuing until Nov. 15th I travelled through many northern and eastern counties stopping in each county seat and meeting with the teachers to tell them about Teachers Retirement. I generally had two meetings a day, one after school and one in the next town in the evening. Meetings were held in the following towns:- Havre, Chinook, Harlem, Malta, Glasgow, Wolf Point, Scobey, Plentywood, Sidney, Glendive, Miles City, Conrad, Cutbank, Shelby and Choteau. I think the meetings were quite well attended from the standpoint of the percentage of the personnel of the unit. The interest was keen and I do very definitely feel the trip was worth the time and money in bringing by personal contact the provisions of the law to the teachers themselves. I'd very much appreciate hearing what may have been the comments among the teachers after my departure. Their comments to me indicated a great appreciation of the attempt at a better understanding.

In my talk I touched these points---the old law, why it failed and what happened to the money; the new law, a brief of its provisions; the Montana law as compared to other states; financial and statistical reports of our System; how a benefit is computed, and the future of the Montana System. Under the last heading I represented the Board as being well aware of certain deficiencies, and had hopes that they might be some day eliminated but that it was the considered opinion of the group, unless later considerations changed their mind, that no attempt would be made to make any changes until 1949, and I cited the reasons for this feeling. I then cited the five principal changes that seemed of the greatest need--(1) elevation of the salary ceiling from \$2000 to \$3000, (2) permit new out of state teachers to obtain some of their out of state records by payment of a nominal fee to obtain those years of service, (3) permit re-deposit of formerly withdrawn funds and get back all rights, (4) possible Retirement at end of a given number of years or age 60, whichever came first, and of course, computed on a pro-rated basis, (5) relaxing of the arbitrary 1936-37 rule to gain prior service.

It was interesting to note that as I approached the state line there was increase in desire to melt state boundaries for teaching rights. Other thoughts presented that were unusual were---one chap thought no refunds of teacher money should be permitted; some express fear that as financial conditions tighten and jobs get harder to get and hold that an older teacher might get fired within a year or so of qualifying for a retirement; and some expressed a hope that the Retirement System will always remain out of politics. Some questioned the withholding of the interest and since I had no answer for that I attempted to show them that interest withheld went into the common pension fund for the good of all. Mr. Irle, president of the M.E.A., said he felt no legislation should be attempted this year and in the main, that was the way most of them felt. Some few wanted new people protected but admitted that as far as total effect was concerned 1949 would be as good as 1947. Anaconda and Great Falls teacher unions have written expressing no desire for any attempt at legislation this term.

A number of prior service records were completed on this trip also.

Later in the meeting a request is made for setting of the interest rate. Mr. Young will no doubt have a few words to say on this subject.

The national Council on Teachers Retirement is making rather a definite effort to interest members of the 80th Congress in income tax relief for those receiving incomes from State Teachers Retirements. The exemption requested is up to \$1440 per year. We wrote to about 15 of our retired teachers on the subject before election and again after election, telling them of the program and why it was being offered and that if they cared to do so, write to the elected members of the new Congress from Montana.

The National Council meets this year in Atlantic City, March 3rd and 4th. Your opinion as to my attendance is requested later in this meeting.

An effort has been made to secure some F. H.A. mortgages to elevate our interest earnings, but so far, no results, so we are still confined to Federal Bonds.

Robert H. Harper

EXECUTIVE SECRETARY REPORT

March 15, 1947

The usual winter checkups have been in progress since the last meeting. Sending out notices of delinquent accounts to clerks, notices to members of expiration of 3 years of absence and suggesting withdrawal were sent to 153 accounts. Notices of 2 years of absence, a warning letter, were sent to 290 accounts. Altogether too many of these letters came back marked "Moved, left no address." That is one reason we are always harping on filing an enrolling card. The 153 3-year old accounts were moved to the Dormant file.

The wisdom of the Board's decision not to foster any legislation this year was observed. When I was called before the sub-committee of the House Education Committee to discuss H.B. 311, put up by Rep. Tierney from Butte providing for a very general vested right retirement benefit, I was promptly reminded of our commitment of 2 years ago and I, in turn, made it clear that the Retirement Board and several labor groups had requested no legislation on our behalf this year. The matter was quickly killed to everyone's satisfaction, except Mr. Tierney. One other bill, H.B. 280 was of interest to us. It provided about \$11,000.00 for the current biennium to pay the employer contribution for two State College departments. It was passed. I spent little time in Legislative Halls, other than on missions pertaining to these two bills, but I did discuss the possibility of some revisions of our Act two years hence with a few good friends of the System. They seemed amenable to the ideas.

We are progressing with our routine work in an orderly fashion which leaves no cause for comment. We expect to return to our former offices in the Capitol about March 25th. I can assure you we will be most happy to do so.

My report of the meeting of the National Council on Teacher Retirement is herewith submitted. Individual copies are provided so no need to read it to you. As for my impression of this year's meeting, frankly, I was a little dissatisfied. Mainly, I suppose, because I may have expected too much on the matter of reciprocity without realizing how vast the subject is. I was glad to see Miss Daisy Brown elected chairman; she is a capable and energetic woman and will stimulate good work among the systems, and there is much that can be done.

Our collections for the Pension fund are running ahead of last year and total about \$187,000.00 so far. With the current rate of income we should come very close to \$300,000.00 for the year in that fund.

From correspondence so far received we might expect a fairly good number of retirements in June. Only 8 are in the compulsory retirement list.

To get the 3% payment for the current biennium to the Public Employees Retirement System I included our claim with others. For the two years it came to \$229.79 and has been paid.

On my way to the National Council meeting I stopped in Bozeman and met with members of the faculty committee on retirement at the State College in the afternoon. In the evening the two local Chapters of the M.E.A. scheduled a joint meeting for the purpose of meeting with me on matters of retirement.

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Minutes of
TEACHERS RETIREMENT BOARD MEETING
March 15, 1947

Meeting called to order by temporary chairman, Mary McNelis. Mr. Bottomly and Mr. Daylis. Mr. Porter and Miss Ireland were both absent. Actuary Mr. Young and Secretary Mr. Harper were present.

The Secretary read the minutes of the December meeting. On motion of Mr. Daylis and seconded by Mr. Bottomly the minutes stood approved as read. The Executive Secretary read his progress report. Its approval and incorporation into the minutes of the meeting were moved by Mr. Daylis, seconded by Mr. Bottomly and unanimously adopted. Copies of this month's financial statement and report of the National Meeting of the Council on Teachers Retirement were distributed to each person.

Approval of the pension payroll at approximately \$23,500.00 per month for the months of April, May and June was moved by Mr. Bottomly and seconded by Mr. Daylis. Motion approved. Approval of the office payroll at approximately \$990.00 per month for the months of April, May and June was moved by Mr. Bottomly and seconded by Mr. Daylis. Motion approved.

Mr. Daylis moved that a committee consisting of Mr. Bottomly, Miss Ireland and Mr. Young be appointed to work with Mr. Harper to develop the certificate of Retirement and that they be empowered to proceed with the project and report at the next meeting. Seconded by Miss McNelis. Motion unanimously approved.

The Secretary reported sending notices of attainment of age 70 and compulsory retirement to the following names:-

Louise P. Arnoldson	Sadie Lillard
Hilla R. West	Katherine E. Murray
Eleanor M. Carman	Eva N. Siegel
Nellie H. Clement	May E. Welch

Mr. Bottomly moved that the action be approved. Mr. Daylis seconded it and it was unanimously approved.

Mr. Bottomly moved that the disability application of Alice Halvorsen Wilson be approved. Seconded by Mr. Daylis and unanimously approved.

Mr. Daylis moved that the disability application of Mrs. Ada Crow be approved. Seconded by Mr. Bottomly and approved.

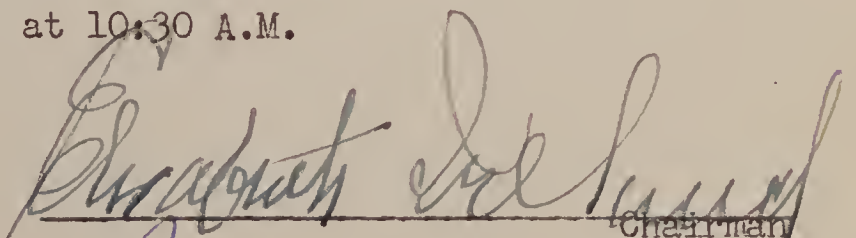
Mr. Bottomly moved that the disability application of Carmen Whitney be approved. Seconded by Mr. Daylis. Motion approved.

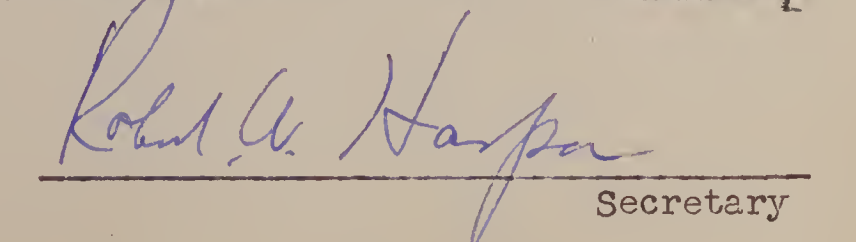
Mr. Daylis moved the pension application of Mrs. Mildred Schlosser be approved. Seconded by Mr. Bottomly and approved.

Mr. Daylis moved that the Retirement System ask for suggested changes in the law from the M.E.A. and the Montana Federation of Teachers in preparing the way for changes listed in the December meeting of the Retirement Board. The motion was seconded by Mr. Bottomly and received unanimous approval.

Next meeting was set for Wednesday, June 4th at 10:30 A.M.

Meeting adjourned.


Chairman


Secretary

Meeting of
National Council on Teachers Retirement
March 3 & 4, 1947

The meeting dealt with 4 major subjects:

1. The cost of liberalizing Retirement plans
2. Problems in investments and long range planning
3. Reciprocity among States
4. Workshop for Secretaries

Liberalizing Costs.

Mr. Buck, the New York Actuary, discussed in generalities the cost of various ideas to liberalize retirement plans. One frequently used among states is to lower the retirement age. He suggests that persons considering such ideas consider the probable results--to lower the age by 5 years you will increase the cost to the state by about 13% of the cost on the previous scale, you will lower the annuity because contribution is less and interest is less. If these points are more fully realized the demand for a lowering of the retirement age is generally forgotten.

The second major desire seems to be a provision for a death benefit. He warned that this is a dangerous procedure and that the annual cost can be estimated to amount to about $\frac{1}{2}\%$ of the annual payroll.

Mr. Buck, always a strong advocate of full reserves, cautioned that if liberalization be attempted care should be used not to abandon the proper reserves.

Problems in Investment and Long Range Planning.

Mr. W. W. Townsend, a New Jersey economist, presented this subject. His predictions were at times not pleasant to hear but his manner of presentation was sincere and brilliant. The man had a fine sense of humor and sprinkled his unpleasant warnings with appropriate wit that made his remarks more palatable but detracted none from their seriousness. His comments briefly were as follows:--Money is to continue to lose value; the only other national currency having a greater value than the U.S. dollar is the Swiss franc. Credit created by bank credits on bank money can be collapsed when desirable to do so. The credit and money created in the present period of U.S. history is not collapsable because it is an expansion created by debt--to ourselves, by ourselves and therefore the only way it can be reduced is the reduction of debt by creation of goods through labor. He believes the present inflation has not yet run its course, that possibly an added increase in the cost of living of as much as 30% is possible before there is sufficient retraction of money in circulation to start prices on a downward trend. He did feel that a gradual increase in interest rates was near. He expects the government to be paying 3% by the early 1950's. He suggested the maturities be extended when interest is high and retracted when interest is low--a procedure worthy of consideration but sometimes not possible to attain.

Reciprocity

Presented by Mr. Black of the Oklahoma State System. Committee appointed to study the subject first hand to define problem--found it to be--"as relating to interstate migration with effort first to be directed to solution of that problem and later to include intra-state migration." Problem too complex to attain any goals in short period of study. Factors adding to complexity, (a) varying number of years state systems have been going, (b) wide variety of programs, (c) difference of dollar values, (d) difference in rate of contribution, (e) difference in interest rates, (f) varying degrees of solvency and lastly, (g) 48 different legislatures to work with.

In a study of the need, it was found there was an average rate of withdrawal of 10% and a new teacher rate of 8%; of the existing systems 15 have vested right retirement plans---of those 15 only 2 pay only the annuity, the other 13 pay both

annuity and pension. Most all have a minimum number of years such as 10 or 15. The number taking advantage of these rights were small. It was found that of the state systems 13 did not allow any out-of-state credit, 18 allowed some and the remainder allowed out-of-state credit under varying conditions. Some permit the credit on entry to the new state, others at the time of retirement. The committee recommended that it be continued another year so a better study can be made and that recommendations be made next year. Nevertheless the following suggestions were made:-

1. That a different retirement allowance be granted by state of departure only on the following conditions:

- a. That the teacher have a least 10 years service in that state.
- b. That no state grant a benefit at less than the usual minimum age of 60.
- c. That the departing teacher continue in the profession in the new state and meet that state's time requirements.
- d. That the interest rate be the earned rate and not a set one.
- e. That the departing teacher pay a \$1.00 membership fee each year in the state holding the account.
- f. That the benefit paid be both the annuity and the pension.

It was further suggested that to take care of cases of less than 10 years a simple withdrawal of funds be used to purchase an unmatched annuity in the state of adoption. The simplest and nicest plan, of course, is a straight transfer of rights and money in ASF and PAF from one system to another. New York is the only state where this is done and so far that only in intra-state transfers.

Another suggestion is setting up reciprocal agreements between states by commissions in each to evaluate rights. Wisconsin and Minnesota are the only two who have done this, but only in case both ASF and PAF cash are intact and service all paid for--that would preclude any transfer of free or prior service credits. There is some danger of duplication of rights if careful records are not kept of service transfers. It would seem that we in Montana will have to approach the problem from the attitude of attracting new teachers rather than the view point of the leaving teachers. It was suggested maybe zoning of the country might minimize the problem of reciprocity. Also mentioned that the receiving state bear the entire cost. This was done by California up to 1944, but dropped after that date--evidently too costly.

Another interesting fact mention was that the present average of Social Security benefits being paid nationwide is \$25.00 per month for males and \$20.00 per month for females. No wonder the itinerant teacher is hollering for state protection instead of national. It is a big subject and going to take plenty of study.

Mr. Pogue of Ohio reported as Chairman of the Legislative Committee. The current bill in Congress for gaining income tax exemption is HR 1613 and was introduced by Congressman Gearhart with the N.E.A. and many others sponsoring his bill. It has been referred to the House Ways and Means Committee. This exemption is planned to be in addition to the usual \$500. There is some talk of an additional exemption of \$500 for those over 65 but chances are poor since there is too much dissension among the sponsoring groups. Only suggestion made was that if any revision is made upward of amount of exemption for others that a similar change be made in State Retirement Income Taxes.

Dr. Madaline K. Remmlein began the second days meeting with a report on retired teachers avocations. It can be read in its printed form. The second item of the day was the Secretaries Work Shop meeting. This to my mind is always too short. We exchange many view about our own problems. Since the second days meetings were held in Trenton, New Jersey, we had the opportunity of visiting the offices of the New Jersey System. An interesting experience since they have about 40 employees and handle about 30,000 accounts.

The final item was a short business. Miss Daisy Brown of St. Paul, Minn. (Minn. Teachers Retirement System) was elected chairman.

Submitted by R. W. Harper.

June 4, 1947

Meeting called to order at 10:45 by temporary chairman, Fred Daylis. Present were Mr. Bottomly, Miss McNelis, Mr. Daylis and Executive Secretary Harper. Miss Ireland was absent, as was Mr. Young. Mr. Porter arrived after the meeting opened.

Mr. Harper read the minutes of the meeting of March 15th. Mr. Bottomly moved that the minutes be approved, seconded by Miss McNelis and unanimous approval was voted. The executive Secretary's report was read and accepted on a motion by Miss McNelis and seconded by Mr. Bottomly, which was approved.

Mr. Bottomly moved that the following increased in salaries be granted:

Mrs. Loretta Harlen	\$10.00 per month
Miss Jessie McKenna	10.00 per month
Mrs. Joy Cronin	5.00 per month

Miss McNelis seconded the motion and it was given unanimous approval.

Mr. Harper presented the expense fund estimate for 1947-48. Miss McNelis moved that Executive Secretary be authorized to make the required transfer of \$5700.00 from the Pension Accumulation Fund to the Expense Fund, to be authorized for the fiscal year 1947-48. Mr. Porter seconded the motion which received unanimous approval.

Miss McNelis moved that the payrolls for the months of July, August and September be approved in the approximate amount as follows:

Pension @ \$25,000 per month
Office @ 1,150.00 per month

Mr. Porter seconded the motion which received unanimous approval.

Miss McNelis moved to approve the sketch submitted for the Certificate of Retirement as drawn by Mr. Shope and that his fee of \$50.00 be allowed and that the following inscription be printed on the form:-

GREETINGS TO

The Teachers Retirement Board acknowledges with gratitude ____ years of teaching in various Montana communities. We know that your work has vastly enriched the State by your devotion to the duty of educating its young people. This certificate is evidence of your retirement in the month of _____ and year 19____.

THE TEACHERS RETIREMENT BOARD
of

The State of Montana

Chairman

Mr. Porter moved that the Board approve Mr. Harper's acceptance of his appointment as a member of the N.E.A. Committee on Reciprocity. Miss McNelis seconded the motion and it was approved unanimously.

Mr. Bottomly moved that the Executive Secretary be authorized to arrange for the purchase of new equipment as follows:- A Burroughs desk adding machine and poster combined, costing about \$700.00, three new desk chairs costing about \$145.00 and a

new desk, cost undetermined. All these articles replace present equipment which the Secretary is authorized to sell, applying the income from such sale against the purchase price of the new. Miss McNelis seconded the motion which received unanimous approval.

The Board discussed the rule of not permitting teaching while receiving a Retirement benefit, which had been incorporated in the Rules and Regulations accepted in the June 6, 1942 Retirement Board meeting. No further action was taken since no reason could be found to alter the rule.

Mr. Bottomly moved that the disability applications of Marie Afflerbach be allowed. Seconded by Miss McNelis and passed unanimously.

Mr. Bottomly moved that the disability application of George Sayer be allowed. Seconded by Miss McNelis and unanimously approved.

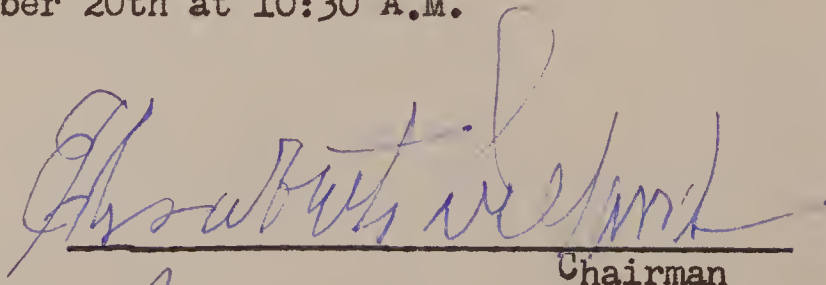
Mr. Bottomly moved that the following applications for pensions be approved:

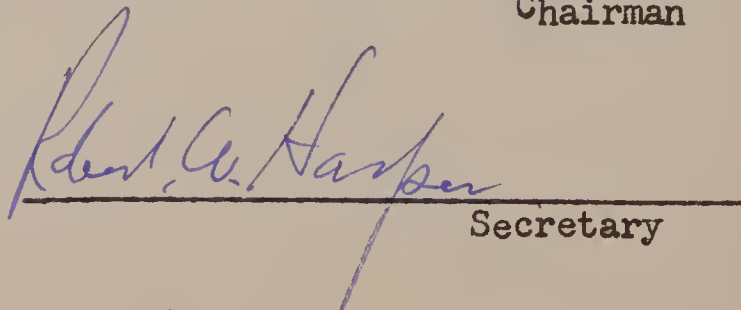
Emma Acker	Sadie Lillard
Mary D. Alexander	Harry Kauffman
Louise Arnoldson	Dora Luke
Jennie Anderson	Nettie McPahil
Temple Bruner	Mary McLeod
Harriet Carver	Katherine Murray
Nellie Clement	Hilda M. Nye
L. W. Edmister	Joanna M. Neeley
Joanne Farrell	Estelle E. Ryan
Martha Fontaine	Lillian Schofield (began in April)
Edith Furman	Lois Stockburger
Josephine Gleason	Eva Siegel
Jessica Hunt	Mary E. Welch
Bertha Jacobs	Hilda R. West
R. G. Johnston	Minnie Wolenetz
Frank Kenny	Nellie Carman
Fidelia Geiger	

Motion seconded by Miss McNelis and unanimously approved.

The date of the next meeting was set for September 20th at 10:30 A.M.

Meeting adjourned.


Chairman


Secretary

June 4, 1947

EXECUTIVE SECRETARY'S REPORT

The past three months have seen all posting brought up to date and much done towards the computing of the interest on the individual savings accounts. Other routine checks of the accounts have been made looking forward to having the files in as complete a condition as possible by the end of the fiscal year.

The collection of the employer's contribution has now reached a little over \$280,000.00 so our earlier prediction of \$300,000.00 is more than assured. We now exceed by \$4,000.00 the collection for the entire year of 1945-46 with still one of our heaviest months to go.

This past year we have had 19 deaths of retired teachers. This is the largest number in any one year of the System and approaches more nearly the number who retired during that year. This could mean we are not many years distant from the point where our pension load will remain fairly consistant. The present high salaries have two effects on us--it retards the retirement of those in the 60 to 70 age group and makes more costly the retirement of those who do retire. These costs do not rise as rapidly as our income increases so we are given a chance to build a small protective reserve.

It had been my hope not to have to request any increases in salaries but constantly increased living costs and a desire to keep our force intact makes it necessary for me to ask for \$10.00 a month increased to Mrs. Harlen and Miss McKenna and a \$5.00 monthly increase to Mrs. Cronin. The first two have been with us for years and the latter about a year. The estimated expense account needs for the year 1947-48 are listed on a separate sheet. You will notice very little change except slightly more for salaries and of course the addition of the employer's contribution. The transfer from the P.A.F. account is requested later in the meeting.

Reference is also made to other items of interest in other parts of the meeting. Some of you may have read an article in the May issue of the M.E.A. Journal to which my name was added. A Comparison of Social Security returns with Montana Teachers Retirement System returns were listed. Madeline Remlein of the National Education Association wrote most of the article and sent it out to us for me to expand to include our state. Her request was for her name not to be used but I insisted that it should, hence the joint authorship.

A new brief of the Retirement law is to be released soon.

R. L. Hays

*St. Paul
Ex-100
4-24-47*

Meeting of Sept. 20, 1947

Meeting called to order by Chairman Elizabeth Ireland at 10:45 A.M. All Board members were present, also Actuary Mr. Young and Secretary Harper. Minutes of the June 4th meeting were read and approved as read. The Executive Secretary read his report and it was approved as read, on motion of Mr. Daylis and seconded by Miss McNelis.

It was moved by Fred Daylis and seconded by Mary McNelis that the Retirement payrolls of approximately \$25,000.00 for each of the months of September, October and November be allowed. Motion unanimously approved.

It was moved by Mary McNelis and seconded by Fred Daylis that the office payrolls of approximately \$1120.00 for each of the months of September, October and November be approved. Motion unanimously approved.

It was moved by Fred Daylis that the request of Mrs. Stuart Des Rosier for a return of what she called "the remainder of her husband's account" be denied since the request does not come within the provision of the law. Motion was seconded by Miss McNelis and given unanimous approval.

In the case of Lucretia Masterson it was moved by Mary McNelis and seconded by Fred Daylis that the application for retirement, dated September 1, 1947, be approved when papers are completed. Motion was given unanimous approval.

It was moved by Mr. Bottomly and seconded by Fred Daylis that if a commercial bond can be obtained to be given by the guardian of the child in the Florence Thaden case, that payment could be approved so that the child could receive the money. Motion given unanimous approval.

Since Mr. Johnsrud, caretaker at the University Biological Station, hasn't taught school since 1928 Mr. Bottomly moved that his request for membership be denied and his case be referred to the Public Employer Retirement System in the hope that further facts given them might make a larger pension possible. Motion seconded by Mr. Porter and given unanimous approval.

Mr. Bottomly moved that the Secretary be authorized to purchase \$50,000 United States Treasury 2½% Bonds, Series A-1965. Motion seconded by Mr. Daylis and given unanimous approval.

Mr. Bottomly moved that the disability application of Margaret B. Hollenstein be approved. Seconded by Mr. Daylis and approved unanimously.

Mr. Daylis moved that the following applications for pensions be approved on the completion of their records. Mr. Bottomly seconded the motion and it was given unanimous approval.

The next meeting of the Board was set at 10:30 A.M. Dec. 13, 1947

- | | |
|--|---|
| 1. William G. Bateman | 8. Lucretia Masterson |
| 2. R. E. Bodley (to start in Nov.) | 9. Mary J. Meek |
| 3. Gladys I. Brown (incomplete) | 10. Warren Rollinger |
| 4. Nelle C. Dodge | 11. Mabel Rossiter |
| 5. Charles W. Grandey | 12. Irene Welch Stevens |
| 6. W. H. McCall (joint survivorship) | 13. Opal W. Vandewark |
| 7. Nellie Redlingshafer McKee (incomplete) | 14. Daniel S. Williams (joint Survivorship) |
| 15. Nora C. Smock | |

Elizabeth Ireland
Chairman

Robert W. Harper
Secretary

Executive Secretary Report
Sept. 20, 1947

The summer work has progressed very well, with the exception that the Bank Examiner hasn't been able to audit our books as yet. Only in the last few days have they checked the Annuity Savings accounts so we could proceed with the task of changing our files for the new year.

The final figures in the Employers contributions fund came to \$299,686.17 cash plus \$35,353.32 in transit or \$335,039.49 total. Expenditures in that fund came to \$268,656.93, giving us a credit balance as a hedge against future increased costs.

We added about 30 retirements to the pension group in July and we have applications for 15 more with this meeting. However, there are 8 who returned to teach this fall and there were 20 deaths in the fiscal year 1946-47 and 6 were since July so we might say that since last fall there has been only an increase of about 11 in all.

I'm glad to say that U.S. Treasury officials have arranged for pension fund to make a direct purchase of Bonds, thus eliminating the loss of interest through purchase of a premium.

Further on the National scene is continued effort by Municipal Finance Officers Association and National Council on Teachers Retirement to get income tax exemptions up to \$1440 per year for teachers receiving compensation from state plans.

A number of bills are before Congress on extension of Federal Social Security; likelihood of passage of any of these seems poor. In any event these proposals generally provide for acceptance of existing plans and coverage only when no plans now exist.

I was asked last June to participate in a discussion of the Retirement System at an Educational Conference at the University in Missoula on June 25th and 26th. I briefly outlined the five changes we have previously discussed in a meeting of the Board last winter. They were given in general terms and the group agreed to their principal. As instructed last spring, a letter was written both to the M.E.A. and American Federation of Labor State offices inviting their suggestions on proposals of liberalization. The Board may wish to discuss this program more in detail later in this meeting. I am planning on a trip through northwestern counties beginning next Tuesday to explain the System and pick up missing records. I'm purposely avoiding formal group meetings to avoid controversial discussions since my main aim is disseminative information about the System.

The Retirement certificates were mailed about September 1st. The results have been most pleasant--only one complained about them. We have had many real nice letters; they are available for your inspection.

RESOLUTION NO. 22

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System for the fiscal year 1947-48 and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various funds.

Signed

Elizabeth G. GiffordRaymond A. GerberM. Alice OliverW. J. SullivanLeo P. Porter

Dated December 13, 1947

RESOLUTION NO. 23

BE IT RESOLVED that Miss Elizabeth Ireland, Mr. R. V. Bottomly, Mr. Raymond A. Gerber, Miss Mary Alice Oliver and Mr. George P. Porter be authorized to sign checks drawn on the bank accounts of The Teachers' Retirement System.

Signed

Elizabeth Ireland
Raymond A. Gerber
Mr. Alice Oliver
Mr. Bottomly
Geo P Porter

Dated December 13, 1947

RETIREMENT BOARD MEETING
Dec. 13, 1947

Meeting was called to order by Miss Ireland, chairman of the Board. In attendance were Mr. Porter, Mr. Bottomly and Miss Oliver, a new member. Absent were Mr. Raymond Gerber, also a new member who sent his regrets at being unable to attend. Mr. Young, the Actuary, and Mr. Harper, the Secretary, also attended.

Minutes of the September 20th meeting were read and approved as read. Individual copies were distributed of the monthly financial report and of the report on the proceedings of the National Reciprocity Committee. The Secretary read his report and it was approved as read.

Miss Theo Smith, chairman of the Retirement Committee of the M.E.A. presented the recommendations made by the Delagate Assembly for future legislation. The Board discussed these points individually and some changes were suggested. Motion made by Mr. Bottomly and seconded by Miss Oliver that the Board go on record as approving the suggestions as ammended and that Mr. Young be authorized to draw up a listing of the ammended suggestions, to be submitted to the individual members of the Board for discussion and approval at the next meeting. The motion was approved.

Mr. Porter was unable to remain for the entire discussion and left. Mr. Bottomly moved that the pension payrolls of approximately \$24,500.00 for each of the months of January, February and March be approved, Miss Oliver seconded the motion which was unanimously approved. Miss Oliver moved that the office payrolls of approximately \$1090.00 for the months of January, February and March be approved. Mr. Bottomly seconded the motion which was unanimously approved.

Miss Oliver moved that the Board approve the following resolution to set the interest rate. Mr. Bottomly seconded the motion and it was unanimously approved.

RESOLUTION NO. 22

BE IT RESOLVED that interest at the rate of $2\frac{1}{2}\%$ be allowed on funds of The Teachers Retirement System for the fiscal year 1947-48 and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amount of the reserves for the various funds.

Mr. Bottomly moved that the Secretary be authorized to purchase \$50,000 U.S. Federal Bonds. Motion seconded by Miss Oliver and unanimously approved.

In reply to Miss Bernice Andrew's request for a list of the retired teachers it was suggested that the Board continue to adhere to their previous rule of not giving out information pertaining to individual records.

Mr. Bottomly moved that the Board approve a resolution to permit all Board members to sign checks with only two signatures required to validate a check. Seconded by Miss Oliver and unanimously approved. # 23

BE IT RESOLVED that Miss Eliz. Ireland, R. V. Bottomly, Raymond A. Gerber, Miss Mary Alice Oliver and George P. Porter be authorized to sign checks drawn on the bank accounts of The Teachers Retirement System.

It was moved by Mr. Bottomly and seconded by Miss Oliver that Mr. Harper's attendance at the Reciprocity Committee in Washington be given formal approval and that he be permitted to attend the National Council Meeting to be held in Atlantic City, March 23rd and 24th, 1948. Miss Oliver seconded the motion and it was approved on a vote of two in favor and one opposed.

Mr. Bottomly moved that the Secretary be authorized to spread upon the minutes a resolution of appreciation of splendid service rendered by Fred T. Daylis,

RETIREMENT BOARD MEETING
March 27, 1948

Meeting called to order by Miss Ireland, chairman. All Board members except Mr. Porter, who came in later, were in attendance; also Mr. Young, the Actuary and Secretary Harper.

The Secretary read the minutes of the December 13, 1947 meeting. It was moved and seconded to approve the minutes as read. The Secretary presented individual copies of his report on the National Council on Teachers Retirement meeting held in Atlantic City, March 22nd and 23rd, 1948.

The Secretary read his progress report. Motion was made by Miss Oliver and seconded by Mr. Gerber to approve the pension payrolls for the months of April, May and June in the approximate amount of \$24,500.00 per month. Motion unanimously approved. A motion was made by Mr. Gerber and seconded by Miss Oliver to approve the office payrolls of approximately \$1090.00 per month for the months of April, May and June. Motion unanimously carried.

Mr. Young read a copy of his letter dated Feb. 17, 1948, directed to all Retirement Board members, containing the amended changes in the Retirement law which had been presented to the Board by a delegate of the Montana Education Association in the December 13th meeting. A copy of this letter follows.

"Members of the Teachers Retirement Board

Dear Board Member:

In compliance with the instructions issued me at the last Board meeting I have herewith presented the amended changes in the Retirement law discussed at that meeting.

The following suggestions are made purely as a basis for discussion of possible legislative changes in the Teachers Retirement law.

1. The maximum salary for retirement calculations to be raised from \$2000 to \$5000.
 - a. This is the same maximum as given Public Employees in their Retirement System.
11. Provide for a vested right (optional) after 10 years of service.
 - a. This is the same as in the Public Employee Retirement System.
111. A provision whereby a teacher entering Montana service may receive credit for out of state service upon payment of 5% of the salary earned in Montana for the number of years of prior service allowed under this provision.
 - a. Maximum credit 10 years, and this credit subject to the 5% of salary deposited over a period of the next 5 years.
- IV. Re-word the law so that in the event a teacher becomes a member of the System, prior service and membership service be restored upon the payment of all contributions required. If payment be not made in full prior service and proportional adjustment for membership service be given on all amounts paid in.
 - a. A provision of this nature would enable all teachers who did not join during 1937-38 to receive full credit for prior service and membership service.
 - b. This same provision would also enable a teacher who returns to membership to redeposit previous contributions and receive credit for prior service and membership service on all previously withdrawn contributions currently redeposited.

V. Re-word the average salary provision to provide that the 3 highest years salary be averaged to provide the basis of retirement rather than the last 10 years average salary.

VI. A Minimum retirement allowance be provided for teachers now on retirement who are drawing less than that minimum.

a. This provision is necessary because present retirement allowances are inadequate at today's prices.

1. This minimum should be about \$50.00 a month. Even this still is inadequate but is near the top amount that could be paid from the $3\frac{1}{2}\%$ employer contribution even on the increased salary basis.

VII. Provide for a fractional percent of salary from employer in addition to the $3\frac{1}{2}\%$ for expenses.

Respectfully Submitted,

Floyd E. Young, Actuary

Turn to page 47 for continuation.

"

Mr. Gerber moved that the following suggested amendments be approved:

OK 1. The maximum salary for retirement calculations be raised from \$2000 to \$5000.00. *cap 5 & 6*

OK 6. A minimum retirement allowance be provided for teachers now on retirement who are drawing less than the minimum. This minimum to be \$50.00 per month.

OK 7. To provide for a fractional percent of salary from employer for administrative expense in addition to the present $3\frac{1}{2}\%$ employer contribution.

Mr. Bottomly seconded the motion which was unanimously approved.

Miss Oliver moved that the Act be amended to:

OK 2. To provide for a vested right (optional) retirement after 10 years of service.

Mr. Bottomly seconded the motion which was unanimously approved. At this point Mr. Porter asked to be excused from the remainder of the meeting but before leaving he expressed his wish to be listed as in favor of such amendments as were recommended by the Actuary.

Mr. Bottomly moved that point number three be changed to read as follows, and then be approved for adoption:

3. To make a provision whereby a teacher entering Montana service from another state may receive credit for her out of state service upon payment of 5% of the salary earned in Montana for the number of years of prior service allowed under this provision; credit for out of state service to be figured at 1 year for 1 year of credit in Montana. Maximum credit permitted to be 10 years and this credit subject to 5% of salary deposited over a period of the same number of years for which credit is to be given for previous out of state service.

Mr. Gerber seconded the motion which was approved; Mr. Gerber, Mr. Bottomly and Miss Oliver voting "yes" and Miss Ireland "no".

OK Mr. Gerber moved that point number five (5), referring to calculation of average salary, be dropped. Miss Oliver seconded the motion and it was unanimously carried.

Miss Oliver moved that point number four (4) be rewritten to provide as follows: "Reword the law-----". Mr. Gerber seconded the motion which was given unanimous approval.

This part of the record was changed by Request of the Board in June 1944 at Meeting.
For Revised Copy see pages 47

Miss Oliver moved that Secretary be authorized to purchase \$50,000 Series G Bonds and \$150,000.00 in U.S. Treasury Bonds as money was available. Mr. Bottomly seconded the motion which was unanimously approved.

Mr. Bottomly moved that the pension application of Robert H. Brown be approved for payment as of March 1, 1947 as soon as he had completed a proper application form. Miss Oliver seconded the motion which was given unanimous approval.

Mr. Gerber moved that the disability applications of Mary Corbett and Ella Finkbeiner be approved and that the Actuary be instructed to compute their respective amounts. Miss Oliver seconded the motion and it was unanimously approved.

Miss Oliver moved that the requested re-instatements of pensions for Ida Goodman and Louise Bernier be approved. Mr. Gerber seconded and it was unanimously approved.

The matter of investment in the Carroll Drainage District Bonds was referred to Mr. Young for further investigation to be reported to the investment committee for their action.

Mr. Young was also requested to prepare an amendment pertaining to the payment of retirement benefits to employed retired teachers.

The next meeting was set for Saturday, June 19th, at 10 A.M.

this has been moved to page 47 & 48

not used see page 47-48

Chairman

Secretary

EXECUTIVE SECRETARY'S REPORT

March 27, 1948

During the past few months we have sent two year absence notices of warning to 216 accounts. We sent notices to 105 of the termination of the three year limitation on absence.

Notices of compulsory retirement at the conclusion of this year were sent to 17 teachers. Of these 5 would involve refunds only, since they did not have records of teaching eligible for a retirement benefit. The other 12 will be applying for their benefit at the end of the current year. They

are: 1. Frances M. Puriton	Cascade
2. Estella Ryan	Cascade
3. Sue B. Long	Fergus
4. Addie E. Maltby	Glacier
5. Louise Bernier	Lewis & Clark
6. W. J. Abbott	Rosebud
7. Pearl Blair	Butte
8. Marguerite McDonald	Butte
9. Esther E. Peirce	Yellowstone
10. Louise Gill	State Dept.

Posting operations are up to date and keeping up to incoming deposits. I'm glad to report that we are keeping up to schedule in our many tasks that must be done at various times in the year.

My report of the National Council meeting is covered in a separate report, a copy of which is supplied to you each. I stopped off on my way to visit the office of the Pennsylvania System. At the meeting, Mr. Taylor, of the New York City System, invited me to visit his office, which I did after the meeting. The two conferences in these large offices were most instructive and interesting.

On the invitation of the Butte Teachers Union Mr. Young and I drove to Butte and spoke before that body on the night of February 4th.

Handwritten:
C. J. Young
Mar 22 - 1948

Mr. Gerber moved that the following suggested amendments be approved:

1. The maximum salary for retirement calculations be raised from \$2000 to \$5000.

6. A minimum retirement allowance be provided for teachers now on retirement who are drawing less than that minimum.

a. This provision is necessary because present retirement allowances are inadequate at today's prices. This minimum be \$50 a month provided the teacher at retirement had a minimum of 30 years of service. For teachers now retired who have less than 30 years of service, if the proportional part of their service provides for a greater income than they are now receiving they shall be entitled to such increased amount of the proportional part of 30 years service applied to \$50 a month, will grant.

An additional provision to provide a minimum retirement allowance for teachers who are to be retired on or after July 1, 1948, that if they are retired at age 65 or above with 35 years of service they will receive a minimum of \$600 a year unless 1/2 their average salary be less than \$600 a year.

7. To provide for a fractional percent of salary from employer for administrative expense in addition to the present 3 1/2% employer contribution.

Mr. Bottomly seconded the motion which was unanimously approved.

Miss Oliver moved that the Act be amended to:

2. To provide for a vested right (optional) retirement after 10 years of service.

Mr. Bottomly seconded the motion which was unanimously approved. At this point Mr. Porter asked to be excused from the remainder of the meeting but before leaving he expressed his wish to be listed as in favor of such amendments as were recommended by the Actuary.

Mr. Bottomly moved that point number three be changed to read as follows, and then be approved for adoption:

3. A provision whereby a teacher entering Montana service may receive credit for out-of-state service upon payment of 5% of salary for each year of out-of-state service claimed, using as a base of computation the first year's salary earned in Montana.

Credit for prior out-of-state service to be figured at 1 year for each year of credit in Montana. Maximum of out-of-state service allowed to be 10 years. Payment to be made in a lump sum or installments as arrangements are made with the Retirement Board. This should include teachers who have withdrawn funds and wish reinstatement.

Mr. Gerber seconded the motion which was approved; Mr. Gerber, Mr. Bottomly and Miss Oliver voting "yes" and Miss Ireland "no".

Mr. Gerber moved that point number five (5), referring to calculation of average salary, be dropped. Miss Oliver seconded the motion and it was unanimously carried.

Miss Oliver moved that point number 4 be rewritten to provide as follows:

4. Re-word the law so that in the event a teacher employed during the school year 1947-48 or whose break in service does not exceed 3 years during the years 1937 through 1947, becomes a member of the system, prior service and membership service be granted upon the payment of all contributions required to cover period between 1937 and date of joining; and further providing that if payment be not made in full prior service that proportional adjustment for membership service be given on all amounts paid in. In the election of this provision such teachers must signify their intention before June 30, 1950.

Miss Oliver moved that Secretary be authorized to purchase \$50,000 Series G Bonds and \$150,000.00 in U.S. Treasury Bonds as money was available. Mr. Bottomly seconded the motion which was unanimously approved.

Mr. Bottomly moved that the pension application of Robert H. Brown be approved for payment as of March 1, 1947 as soon as he had completed a proper application form.

Miss Oliver seconded the motion which was given unanimous approval.

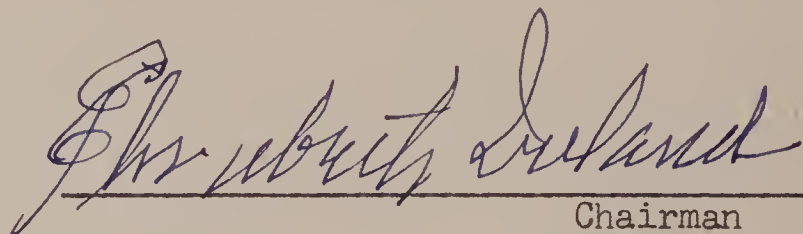
Mr. Gerber moved that the disability applications of Mary Corbett and Ella Finkbeiner be approved and that the Actuary be instructed to compute their respective amounts. Miss Oliver seconded the motion and it was unanimously approved.

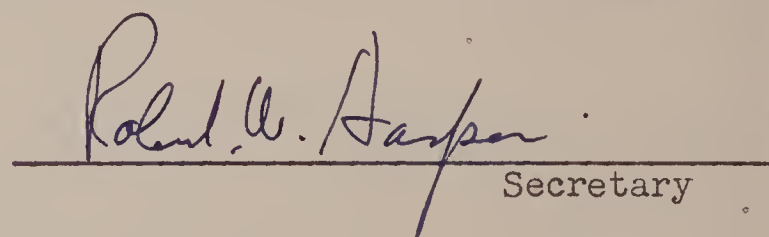
Miss Oliver moved that the requested re-instatements of pensions for Ida Goodman and Louise Bernier be approved. Mr. Gerber seconded and it was unanimously approved.

The matter of investment in the Carroll Drainage District Bonds was referred to Mr. Young for further investigation to be reported to the investment committee for their action.

Mr. Young was also requested to prepare an amendment pertaining to the payment of retirement benefits to employed retired teachers.

The next meeting was set for Saturday, June 19th, at 10 A.M.


Chairman


Secretary

RETIREMENT BOARD MEETING
June 19, 1948

Meeting called to order by Chairman Ireland. In attendance were Miss Ireland, Mr. Bottomly, Mr. Porter and Mr. Gerber, also secretary Harper. Miss Oliver and Mr. Young were both absent.

Minutes of the March 27th meeting were read. It was suggested that the wording of the proposed changes be altered to make their meaning more clear--referring to point number III and IV as especially needing attention. Mr. Gerber moved that the minutes be approved subject to these conditions and that a revised statement of these changes be submitted to each Board member for their approval. Mr. Bottomly seconded the motion which was given unanimous approval.

The Secretary read his report and copies of the printed report of the National Council Meeting were distributed to each member.

Mr. Porter moved that the pension payrolls for the months of July, August and September be approved in the approximate amount of \$26,500 per month, subject to additions authorized at this meeting. Mr. Gerber seconded the motion which received unanimous approval. Mr. Gerber moved that the office payrolls for the months of July, August and September be approved in the approximate amount of \$1200.00 per month, subject to changes authorized at this meeting. Mr. Porter seconded the motion which was given unanimous approval.

Mr. Gerber moved that as soon as the revised copies of the proposed changes are returned initialed that they be given to Mr. Bottomly's office for the preparation of the actual amendments. Mr. Bottomly seconded the motion which was given unanimous approval.

Copies of the expense estimate for 1948-49 were presented. Mr. Bottomly moved that salaries of Mrs. Loretta Harlen and Jessie McKenna each be increased by \$10.00 per month, making Harlen at \$185.00 and McKenna at \$180.00. Motion was seconded by Mr. Gerber and given unanimous approval. Mr. Gerber moved that Mr. Young's salary be increased to \$1500.00 per annum. Mr. Bottomly seconded the motion and it was given unanimous approval. Mr. Gerber moved that Robert Harper's salary be increased to \$4500.00 per annum. Mr. Bottomly seconded the motion and it was given unanimous approval. All Salary increases to begin as of July 1, 1948.

Mr. Bottomly moved that the secretary be authorized to transfer \$8000.00 from the P.A.F. fund to the Expense fund in accordance with Chapter 137, Laws of 1945, Section 8, sub-section 5, paragraph C. Mr. Gerber seconded the motion which was unanimously approved.

Mr. Gerber moved that the previous purchase of \$50,000 U.S. Treasury notes due 9/15/48 and \$30,000 Dawson High School Dist. #2, be approved and that the secretary be authorized to purchase \$25,000 of Series G. Bonds. Motion was seconded by Mr. Bottomly and given unanimous approval.

Mr. Gerber moved that the secretary be authorized to purchase a F. & E Electric Check Protector and Electric Signo Meter as described by information supplied by the secretary. Mr. Bottomly seconded the motion and it was given unanimous approval.

Mr. Bottomly moved that the disability application of C. L. Baldwin be approved for payment as of July 1, 1948. Mr. Gerber seconded the motion and it was unanimously approved.

Mr. Gerber moved that the following pension applications be approved for payment as of July 1, 1948 as soon as each had completed their application. Mr. Bottomly

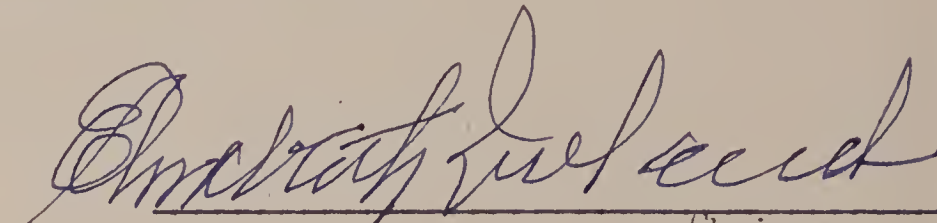
seconded the motion and it was given unanimous approval.

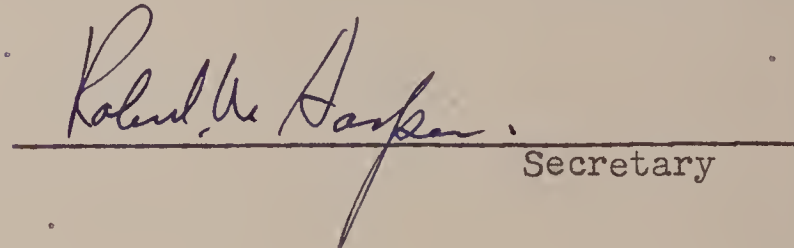
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|----------------------|-------------------------|
| 1. W. J. Abbott | 14. Regina Kohten |
| 2. Roy M. Austin | 15. Elizabeth Lincoln |
| 3. Guy Roy Bancroft | 16. Ethel Long |
| 4. Pearl Blair | 17. Sue B. Long |
| 5. Edna P. Bowman | 18. Marguerite McDonald |
| 6. Lucretia Davis | 19. Addie E. Maltby |
| 7. Shirley Donovan | 20. Hilda Nye |
| 8. Emma Clark | 21. Francis Purinton |
| 9. Flora Fontaine | 22. Esther Peirce |
| 10. Barbara Gilligan | 23. Jessie Richardson |
| 11. Myra Harris | 24. Evelyn E. Ryan |
| 12. Mary Henderson | 25. Julia Shea |
| 13. Bertha Jacobs | 26. Estelle E. Ryan |
| 27. Clara L. Zosel | |

Miss Ireland informed the Board she had requested clarification of the status of a retired teacher who wished to teach in another state in relation to the authority of the Board to pay her retirement allowance.

The next meeting was set for 10 A.M. September 25, 1948.

Meeting adjourned.


Chairman


Secretary

EXECUTIVE SECRETARY'S REPORT
June 1948

Posting and all routine operations are in good order and up to date. Your attention is called to significant trends as indicated by year-end results. Deaths occurring in the retired group are ascending rapidly; so far to June 1st we had 27 as opposed to 19 the preceeding year, and the report a year ago indicated a like situation over the preceeding year. Taking into consideration deaths and those returning to the classroom there has been a gain of only 14 retired persons over a year ago.

The income for the Pension Accumulation Fund has continued to rise; at this point it totals \$337,419.82 as against \$322,379.09 for the entire year to June 30, 1947. Cost of pensions for the year so far has totalled \$258,442.64, leaving a comfortable \$79,000.00 margin at this point with more to come. All of which indicates the building, year by year, of a reserve toward future pensions.

We have made more investments this year than ever before, our Bond purchases totalling \$392,500.00, not including the \$30,000.00 Dawson County Bonds. We have made an effort to satisfy the Bank Examiners by buying a block of U.S. Treasury notes due in September to void carrying large reserves in the banks during the summer months, they will yield a net of 1% which should help our investment yield.

Refunds are a little more than last year, but not much, and that is probably due to our efforts to clean out the dormant file with a campaign to get addresses for this account. We have a membership now of 6771 as against 6714 last year.

Preparation for closing of accounts at end of the year is now in progress.

BOARD MEETING
Sept. 25, 1948

Meeting called to order at 10 A.M. By Chairman Ireland, also in attendance were Mr. Bottomly, Mr. Gerber, Miss Oliver, Actuary Young and Secretary Harper. Mr. Porter was absent.

Minutes of the March 27th and June 19th meeting were read. Motion made by Mr. Bottomly and seconded by Miss Oliver to approve the minutes as read, with particular reference to the proposed changes contained in the minutes of the March 27th meeting. The motion was given unanimous approval.

It was moved by Mr. Gerber and seconded by Miss Oliver that the previous ruling of the Board (June 1942) be changed as pertaining to the payment of Retirement benefits, Part VIII, Paragraph 5, page 183 of the Minute Book. The new rule to read:

"A return to teaching in Montana is reason for discontinuing a Retirement Allowance. Disability pensions may be discontinued if a recovery from disability has been clearly made, if such recovery is prior to age 60."

This regulation change to become effective October 1, 1948. The motion was unanimously approved.

The Secretary read his report. Mr. Gerber moved, and Miss Oliver seconded, the motion that the Secretary's report be accepted. Unanimously passed. Mr. Bottomly moved and Mr. Gerber seconded that the Pension payrolls for October, November and December be approved in the approximate amount of \$25,500.00 and the office payrolls be approved for October, November and December in the Approximate amount of \$1200.00 per month. The motion received unanimous approval.

Mr. Young opened the discussion pertaining to the biennial report now in preparation. Mr. Bottomly suggested that the approved amendments be added to the report, suggesting that the formal report appear first and then an agenda of the amendments to be presented to the 1949 Legislature. Mr. Young assured the Board that rough drafts of the report would be sent to each Board member for his approval or criticism before the final printing was made.

Miss Oliver moved that the purchase in June of \$35,000 U.S. Treasury Bonds (1967-72) and the \$26,500.00 Belgrade Water Bonds be approved. Mr. Gerber seconded the motion and it was given unanimous approval.

The Secretary read a description of the issue of Thompson Falls Water Bonds that are available for purchase. Some points regarding source of income for their redemption were in doubt so Mr. Gerber moved that the resident members of the Board were authorized to purchase the Bonds in the approximate amount of \$30,000.00 if they were satisfied in the point raised. Miss Oliver seconded the motion which received unanimous approval.

Mrs. Marion Conn requested the Board to permit her to have prior service credit on the basis of her service as a member of the County Board of Examiners in 1936-37 in Flathead County. Mr. Gerber moved that her request be granted after she has supplied proper evidence of this service. Mr. Bottomly seconded the motion. Mr. Gerber, Mr. Bottomly voting yes and Miss Oliver, no. The motion carried.

The Administratrix of the estate of Nettie McPhail requested a part of the month payment on her retirement allowance on the basis that she had lived

two-thirds of the month. The Board instructed the Secretary to inform the interested person that the law forbids partial month's payments.

Miss Oliver moved and Mr. Gerber seconded that the Secretary be authorized to find quarters for the Retirement office for the months of December through March as best as can be arranged. Motion given unanimous approval.

Mrs. Bottomly moved and Miss Oliver seconded that the incomplete applications for disability for Hugh Mosier and Jack Crutchfield be approved for payment as soon as the applications and doctor's reports were completed and the Actuary was satisfied that the claims were valid. Motion was unanimously approved.

Motion was made by Mr. Gerber and seconded by Miss Oliver that the following applications for Retirement benefits be approved for September payment. Motion was unanimously approved.

Louise Gill
Mercy Rose
J. Ford McBain
Mildred Rogers

Margaret Gilbert
Molly Jackson
Nettie Peterson
Iva Jennings,

The next Board meeting was set for December 4th at 10 A.M.

Meeting adjourned.

Pharrah Suland
Chairman.

Robert W. Harper, Secy.

BOARD MEETING
Dec. 4, 1948

Meeting called to order by Chairman at 10 A.M. In attendance were Miss Ireland, Miss Oliver, Mr. Gerber, Mr. Porter, Actuary Young and Secretary Harper. Mr. Bottomly was absent.

The minutes of the September 15th meeting were read and approved as read by unanimous consent.

Since Mr. Guy Stegner, representing the Missoula teachers, was in attendance, Chairman Ireland asked him if he desired to present his request at this time. Mr. Stegner stated that it was the hope of his group that the Retirement Board could find some other means of setting the base for pension calculations than that of the average of the last 10 years salary, since it seemed this worked a hardship by depressing the average considerably. He suggested maybe that any five years salaries be used. A discussion ensued regarding several possibilities and the Board agreed to give his request every consideration, after which Mr. Stegner excused himself and departed.

The Secretary's report was next given and upon motion made by Mr. Porter and seconded by Miss Oliver was approved.

Having had the recent discussion of the Supreme Court regarding refund of interest brought to the Board's attention Mr. Gerber moved, and Mr. Porter seconded that it be the policy of the Retirement Board to pay any interest due up to time of withdrawal if such withdrawal be made subsequent to that date. It might be added that the Florence Clark case clearly stated that in the case of all original members they should receive three-fourths of the interest to last interest crediting date, with prior and subsequent to July 1, 1945. However some doubt as to procedure exists on members starting membership after September 1, 1937 and after July 1, 1945. Clarification has been requested from the Attorney General's office. The motion received unanimous approval.

Miss Oliver moved that the pension payrolls for January, February and March in the approximate amount of \$25,500.00 per month be approved and the office payrolls in the approximate amount of \$1200.00 be approved. Mr. Gerber seconded the motion which received unanimous approval.

Mr. Gerber moved that the Biennial report, as presented, be accepted and filed and publication made. Miss Oliver seconded the motion which received unanimous approval.

Mr. Gerber moved that the Secretary be authorized to transfer any individual savings account that has remained inactive for five or more years from the Annuity Savings fund to the Pension Accumulation Fund, provided no vested rights are lessened by such transfer and also provided that upon proper identification by the owner that said account may be returned to the Annuity Savings Fund for purposes of refund to said owner. The motion was seconded by Miss Oliver and received unanimous approval.

Miss Oliver moved that the interest rate for the period beginning July 1, 1948 and ending June 30, 1949 be set at $2\frac{1}{2}\%$ and that the Actuary be instructed to use this rate of interest, together with the previous mortality and disability and withdrawal assumption, to determine the amounts of the reserves for the various funds. Mr. Gerber seconded the motion which was unanimously approved.

Mr. Young described the possibilities in the field of investment in F. H.A. Mortgage Bonds. Mr. Gerber moved that we re-affirm our position as a lending

agency for F.H.A. and instruct the Secretary to contact the local banks for listings of possible loans and have an agreement prepared for the Board's signature. Miss Oliver seconded the motion which was unanimously approved.

Miss Oliver moved that an additional amendment be prepared with the others to permit the selection of any three year's salaries for which the employee's contribution had been made, as the basis for the computation of the average final compensation. Mr. Gerber seconded the motion which received unanimous approval.

Mr. Gerber moved that the Secretary be permitted to attend the National Council on Teacher Retirement meeting in San Francisco, February 21st and 22nd if local legislative affairs permit his absence. Miss Oliver seconded the motion which was unanimously approved.

Mr. Gerber requested that Miss Opal Mountjoy be written another letter outlining the reasons for no credit being given for any other than public school service.

Mr. Gerber moved that the Pension applications for the following be approved and that the amounts to be paid be computed by the Actuary:

1. C. V. Brown
2. ~~A.~~ O. Gullidge
3. Edith Porter
4. Edna Senn

The next meeting of the Retirement Board was set for 10:00 A.M. on January 15, 1949.

Mary M. Condon
Chairman

Robert W. Haspen
Secretary

EXECUTIVE SECRETARY'S REPORT
Dec. 4, 1948

Since our last meeting I have spoken to teacher groups in the following cities--Philipsburg, Anaconda, Whitehall, Twin Bridges, Dillon, Three Forks, Livingston, Columbus, Laurel, Billings, Hysham, Hardin, Forsyth, and Missoula. The latter meeting was a mixed group of elementary, high school and University people that had requested my attendance to discuss the plans for the coming legislature. They specifically requested your consideration of some requests that will be referred to later in this meeting. I have plans to appear before the Great Falls teachers and the Fort Benton teachers.

On November 29th we moved our offices from Rooms 326, 327 and 328 of the Capitol Building to the Rathskeller of the Placer Hotel for the duration of the Legislature and have requested the Board of Examiners to permit our return to our former offices as soon as possible in March. We share these quarters, and the expense, with several other offices. Our monthly rent is to be \$100.00 and our cost of moving was \$57.75. Of course our mail will still go to the Capitol and it will be necessary for me to pick it up there. Our phone number remains the same.

The Supreme Court's decision on the Florence Clark case has decreed that the Legislature erred in rescinding the refund of three-fourths of the interest to original members. So all cases of that type will receive the proper interest on refunds, but we still are in the dark on how to treat two other groups--1st, those becoming members after the beginning of the school term in 1937 and 2nd, those who became members after July 1, 1945 and withdrew after that date. We have requested clarification from the Attorney General's office.

The drawing of the bills to cover the legislation previously discussed is now in progress and we are presenting at this meeting the first rough draft of these bills. Your suggestions and comments are solicited. I'm pleased to report that the M.E.A. delagate assembly, the Montana Federation of Teachers, the School Board Association and the Citizens Committee on Education have all voiced their approval of the plan.

The National Council on Teacher Retirement has its meeting in San Francisco this year on February 21st and 22nd. Naturally I'd like to attend but these dates may mean that it will be impossible to do so, since our legislation program has first importance.

We also present for your consideration and final approval the biennial report. It is desirable to also know if you wish this printed or mimeographed.

BOARD MEETING
Jan. 15, 1949

Mr. Fisher, Miss Condon, Miss Oliver and Mr. Gerber assembled as members of the Retirement Board at 10 A.M. in the office of the Attorney General. Mr. Olsen was absent because of illness. Mr. Young and Mr. Harper also attended.

Miss Condon, by the consent of all, assumed temporary chairmanship for the purpose of organization. Mr. Fisher moved that Miss Condon be elected chairman by casting an unanimous ballot in her favor. Miss Oliver seconded the motion which received unanimous approval.

Mr. Gerber moved that R. W. Harper be retained as Executive Secretary and that all of the present office staff be likewise retained at present salaries. Miss Oliver seconded the motion which was unanimously approved. Mr. Gerber moved that Floyd Young be retained as Actuary for the System on the same basis as before. Miss Oliver seconded the motion which received unanimous approval.

The Secretary read the minutes of the December 4th meeting. Mr. Gerber moved that minutes be approved as read. Miss Oliver seconded and the motion was approved.

Mr. Gerber moved the acceptance of the Secretary's report and Mr. Fisher seconded the motion which was approved.

Miss Oliver moved that the Board make the following resolution:
RESOLUTION NO. 24

BE IT RESOLVED that Miss Mary Condon, Mr. Arnold Olsen, Mr. Neil Fisher, Miss M. Alice Oliver and Mr. Raymond Gerber be authorized to sign checks drawn on the bank accounts of The Teachers' Retirement System

Mr. Fisher seconded the motion which received unanimous approval.

Mr. Young and Mr. Harper reported progress on our legislation to be satisfactory to date. The Retirement Bill is H.B. #30.

The Board then discussed various possible investments. Mr. Gerber moved that Mr. Fisher, Mr. Olsen and Mr. Young be designated as an investment committee to approve future investments. Miss Oliver seconded the motion which received unanimous approval. Mr. Young explained the purchase of F.H.A. and Veteran Insured and Guaranteed Housing Mortgages and pointed out their higher yield.

Mr. Gerber moved, subject to the approval of the Attorney General, that the Chairman and Secretary be authorized to sign a servicing agreement with the Union Bank & Trust Co. of Helena for the purchase of some of the F.H.A. and Vets Housing loans. Mr. Fisher seconded the motion which was approved.

Mr. Fisher moved that persons who are employed in a capacity where they receive remuneration from more than one source may have membership in the Teachers Retirement System only to the extent of the salary received which, according to law, would be subject to employers contribution and where another agency demands retirement deductions for the full amount of the individual's salary then they shall be deemed excluded from membership in the Teachers Retirement System. (Chapt. 87, Laws of 1937, Section 4, part 2). Miss Oliver seconded the motion which received unanimous approval.

The next meeting was set for 10 A.M., March 19th, unless it is found necessary to change it because of the inability of members to attend.

Meeting adjourned.

Mary M Condon
Chairman

Robert W. Harper
Secretary

RESOLUTION NO. 24

BE IT RESOLVED that Miss Mary Condon, Mr. Arnold Olsen,
Mr. Neil Fisher, Miss Mary Alice Oliver, and Mr. Raymond
Gerber be authorized to sign checks drawn on the bank
accounts of The Teachers' Retirement System.

Signed Mary M Condon
Raymond Gerber
M. Alice Oliver
Arnold A. Olsen
Neil Fisher.

Dated January 15, 1949

SECRETARY'S REPORT

I'm happy to report the posting operations are more up to date than in previous years and all current operations are proceeding very nicely.

Since our last meeting we have received clarification of the Florence Clark case from the Attorney General's office and we have made all new refunds according to the rulings of the two bodies since---namely, on all persons who were original members or joined before July 1, 1945, three-fourths of all interest credited goes to them at the time of refund. In the case of new members since July 1, 1945, no interest is paid; instead the interest goes to the Pension Accumulation Fund. We have not been very heavily drawn on for interest previously withheld; so far we have paid a total of \$1,457.48 in interest refunds so the pension fund hasn't been seriously hurt. We just a few days ago paid the Clarke claim.

Our legislative proposals are embodied in H.B. #30 and has received the Education Committee approval to be sponsored by that Committee, which automatically gives a "do pass" tag to the bill. Reference is made later in this meeting to the legislative program for further discussion.

Within the next 10 days we will have approximately \$150,000.00 available for investment and before the next meeting probably another \$100,000.00. Several investments are listed later for your consideration. And may we add that we have previously found it convenient to have an investment committee with which your secretary can confer between meeting dates.

We also will need a resolution authorizing signatures for checks, and your signatures on the Bank cards as well as on a plain white paper so plates can be made for our check signing machine.

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BOARD MEETING, March 26, 1949

Meeting called to order at 10:15 by Chairman, Miss Condon. All Board members were in attendance and also the Actuary and Secretary.

Two visitors also attended, Mr. Holker from the State College and Mr. McGinnis from the Union Bank & Trust Co., Helena. Miss Condon asked Mr. Holker to make his presentation, which proved to be a plea and explanation on behalf of the several Extension Service employees attached to the State College payroll. It was mutually agreed to work out the problems resulting from the new amendments as could be best done under the provisions of the law. Mr. Holker then departed.

Mr. McGinnis had been invited to explain in more detail the possible purchase of Federal Housing and Vets Housing loans through a working service agreement through the Union Bank & Trust Co., Helena. These loans to bear $4\frac{1}{2}\%$ interest for F.H.A. and 4% on Vets Housing. They are selling at 101 and the Bank is to charge $3/4\%$ to service the loan and in case of default the Retirement System is to get a Federal Bond. This would make a net yield of 3.71% . After a general discussion Mr. McGinnis departed.

The minutes of the January 15th meeting were read and the Secretary made his report. Mr. Gerber moved that the minutes and the Secretary's report be approved as read. Miss Oliver seconded the motion which received unanimous approval.

In considering the problem relative to the use of certain salaries for computation of the "average final compensation" it was mentioned that the new law required 5% payment to be made on all salaries to be used for that figure, despite exemption granted by the 1937 law, after age 60 and 35 years of service. The question was--should the 5% be required on the first \$2000. It was moved by Miss Oliver and seconded by Mr. Gerber that the whole salary be recognized only if the 5% be paid on all of it, as the law seemed to imply, and the Attorney General be asked to rule on the subject. The motion was passed unanimously.

Mr. Young's council was sought in setting the rate per centum to be asked from the employer after July 1, 1949 for the Expense fund. It was suggested the $25/100$ of 1% would be sufficient and Mr. Olsen moved that such rate of $1/4\%$ be requested and that schools be so informed, making the total rate of employer contribution at 3 and $3/4\%$. Miss Oliver seconded the motion which was unanimously approved.

Mr. Gerber moved that the Secretary be authorized to purchase \$50,000 Series G bonds for the System. Mr. Fisher seconded the motion which was approved.

The next meeting was set for 10 A.M. on June 11th, subject to possible change.

Meeting adjourned.

Mary M Condon
Chairman

Robert W Harper
Executive Secretary

EXECUTIVE SECRETARY'S REPORT

March 26, 1949

Since this report is generally accepted or rejected by the Board and is copied into the Minute Book it is well to mention that the Retirement liberalizing H.B. #30 was passed by the Legislature and signed into law by the Governor on February 11, 1949 to become effective July 1, 1949. We believe the teacher groups in general are very happy with the new features.

Our correspondence has been increasing at a heavy rate but so far we have been able to keep up to date with only a few days delay being occasioned by the heavy load and the detailed work required to reply to many inquiries. I have already spoken before teacher groups in Helena and Townsend and had invitations from others. Mr. Gerber and Miss Oliver can undoubtedly take care of their respective communities. A temporary bulletin has been prepared and is being distributed to school heads and others as needed. A new "Brief" of the entire law, new and old, will be prepared as soon as possible for general distribution. Many new forms are being prepared to take care of the new problems which will appear after July 1st.

Posting operations are well in hand and our lag between actual receipt and posting is about normal.

You will recall we mentioned that notices of attainment of age 70 would be sent to teachers and school district clerks. These were mailed about the 12th of March and were sent to 27 teachers, 12 of these did not appear to have retirement rights and would get only a refund.

I had the pleasure of attending the National Council on Teacher Retirement meeting in San Francisco, February 21st and 22nd and a brief summary of that meeting is being given to each member for his own perusal. Two points need mentioning here, however, first, that the announcement of the passage of the new amendments received much favorable comment, second, the work of the Reciprocity Committee is bringing forth much interesting material on teacher migration.

If the local rule for compulsory retirement at 65 becomes effective in Butte this year, as it is presumed it will, there will be about 13 applicants from Butte. Other than those, and over our list of 70 year olds, there are signs that many teachers will remain to delay retirement a few years to take as much advantage of the new rules as possible, including omission of a back payment in so far as possible.

We moved our offices back to the Capitol March 21st to rooms 326, 327 and 328, and we hope that our next move will be our last, into the new office building when it is complete.

On investments we have been notified by the Union Bank that the list of mortgages previously available have been withdrawn but others may be available later, after the agreement is signed, if it is approved by the Attorney General. Several other investments are suggested in the agenda. We have, and will have, a total of \$131,545.00 available for investment before June 1st.

RETIREMENT BOARD MEETING
June 11, 1949

Chairman Miss Condon called the meeting to order at 10:15 A.M. In attendance were Mr. Gerber, Mr. Fisher, Mr. Olson, also the Actuary and the Secretary.

The minutes of the March 26th Board meeting were read and the Secretary read his report. These were declared approved as read by unanimous consent.

Mr. Gerber moved that the Bond purchases made since the last meeting be approved as follows:

- \$34,000 Flathead Co. High School, $2\frac{1}{2}\%$, yield $2\frac{1}{2}\%$
- \$124,851.27 F.H.A. & Vets Housing Loans at $101\frac{3}{4}\%$, to yield 3.71%
- \$24,500 Ravalli S.D.#1, Building Bonds, $3\frac{1}{2}\%$ at 104 to yield 3.1%

Mr. Fisher seconded the motion which was approved.

The Board considered Mrs. Pearl Goodall's request for prior service but since she had not supported her request with proper affidavits the Board did not pass on the request.

Mr. Gerber moved that in regard to absence from teaching during vital periods for prior service rights that after the complete facts are available that each case will be individually considered on its merits by the Retirement Board. Mr. Olson seconded the motion which received unanimous approval.

The Board considered the request of Mrs. Vera Paxson for prior service on the basis of the certified statement of her attendance at the University of California during the year of 1947-48, teaching before and after this event and granted her request on the motion of Mr. Gerber which also included a suggestion that she continue in the profession in this State. Mr. Olson seconded the motion which was approved.

Mr. Fisher moved that \$3500 be transferred from the P.A.F. to the Expense Fund for the summer expenses before the new money becomes available. Mr. Gerber seconded the motion and it was approved.

Miss Condon moved that salary increases as follows be granted, to begin July 1, 1949. Mr. Fisher seconded the motion and it was passed unanimously:

- Mrs. Harlen, from \$2220 to \$2580 per year
- Miss McKenna, from \$2160 to \$2400 per year
- Mr. Young, from \$1500 to \$1800 per year
- Mr. Harper, from 4500 to \$5000 per year
- *Mrs. Burn, from \$1920 to \$2100 per year

* at the descretion of the Secretary as circumstances warrant.

Mr. Gerber moved that an assistant secretary be employed with a salary range for the first year of \$2700 to \$3000 and that the selection of this employee be made by the Executive Secretary with the aid of the resident members of the Retirement Board. Mr. Fisher seconded the motion and it was passed unanimously. It was suggested that were it possible it would be advisable for the candidate to come into Helena for a conference with Board members.

Mr. Olson moved that the Expense budget for the year 1949-50 be approved in the requested amount of \$23,160.00 with necessary adjustments to provide for salary increases approved. Mr. Gerber seconded the motion which was approved unanimously.

Mr. Gerber moved that the following equipment be purchased:

- Electric Typewriter
- 10 key Electric Adding Machine
- Burroughs office chair
- Posting tray and cart for same
- 10 key Marchant calculator
- 2 steel four-drawer file cases

Total estimated cost \$1,573.20. Mr. Fisher seconded the motion which was approved.

Miss Condon moved that the System purchase \$40,000.00 of U.S. 1 $\frac{1}{4}$ % Certificates due on October 1, 1949. Motion seconded by Mr. Fisher and approved.

Moved by Mr. Gerber to purchase \$50,000 F.H.A. Loans if available. Seconded by Mr. Fisher and approved.

Moved by Mr. Olson to approve the following pension applications as indicated on the application form:

Emma Stoetzel, pension, Stillwater Co.

Mary Snuffer, disability, Liberty Co.

Ada Crow, disability, Fallon Co.

Mr. Fisher moved, and Mr. Gerber seconded, the motion that the following applications for pension be approved as of July 1, 1949, subject to completion of records and payments required. Motion unanimously passed:

Annie Breneman

C. V. Brown

Sadie B. Bryson

Alma Belle Coe

Grace Flynn

Grace Scofield Garrison

A. O. Gullidge

George H. Gustafson

Louis L. Howard

Bertha Jacobs

Emma Johnson

Clarence Gilbert Manning

M. Ethel Mellor

Rae Morrison

Mrs. Mabel M. Musser

Irena L. Nalback

Camilla F. Osborne

Ethel B. Rutherford

May G. Penwell

T. E. Smalley

Catherine C. Weikle

Edith Mae Whipple

It was agreed to set the next Board meeting for 10 A.M., September 17, 1949.

Upon motion duly made and seconded the meeting was closed.

*7-26-49
as a. 9-30-49*

Mary J. Condon
Chairman

Robert H. Harper
Executive Sec.

EXECUTIVE SECRETARY'S REPORT

We are anticipating a very busy summer. Much interest has been shown by the teachers of the state in the new legislation and consequently there will be much correspondence and other paper work pertaining to the recording of a lot of prior service. I was invited to speak in Missoula, Bozeman, Billings, and Livingston; while enroute to Billings I stopped at Big Timber for a meeting with the elementary teachers of that city. A new brief will be available in a matter of a few days that covers the law as it will be after July 1, 1949.

We have completed arrangements with the Union Bank & Trust Co. on a group of F.H.A. & Vets Housing Bonds. Total of this purchase was \$126,473.64. This will be a good start on this type of investment and should help raise our interest earnings. A suggestion is made pertaining to other investments later in the meeting.

We have written each member of the Extension Service who has had more than 10 years of service, how the new rules will affect his account and Mr. Young has made a calculation as to his probable benefit at the minimum retirement age. Three can retire now but haven't said anything about it.

We are going to need another permanent employee, consequently it has been my thought to use less college part time help and employ, instead, a person who might assume some responsibility as well as perform clerical duties and that this might be accomplished by employing a young man just graduating from the University. Several applications are submitted for your consideration.

The retirement of the large group of Butte Teachers is being postponed for a year.

BOARD MEETING
Sept. 24, 1949

The members assembled in the House Chambers at 1:45 P.M. All Board members were in attendance, also the Actuary and Secretary. Chairman Miss Condon called the meeting to order and called attention to the Bank Examiners' report of his examination of the books as of June 30th.

The minutes of the Retirement Board meeting of June 11th were read and approved as read, on a motion made by Mr. Olson and seconded by Mr. Gerber. The Executive Secretary then read his report. Mr. Olson moved that the report be adopted, Mr. Gerber moved a second to this motion and requested that special emphasis be given the reference to Mr. Fisher's passing. Motion adopted by an unanimous vote.

Miss Condon drew attention to the copies of the August 31st financial reports and the National Council report copied, which had been distributed to each Board member.

Under the heading of Old Business the Board discussed the request of George Wooley for the request of redeposit. He is not now a member of the staff at the College, having ceased employment December 31, 1947. Mr. Gerber moved that his request be denied since he is not now a member of the System, having had his membership terminated July 1st by the new amendments. Mr. Olsen seconded the motion which was unanimously approved.

Under New Business the following problems were discussed. Mr. W. E. Beers of the Extension Service, and whose membership was terminated July 1, 1949 by legislative action, requested permission to buy "Out State" service. Further, he had no vested right since he has only three years of membership service. Mr. Gerber moved that his request be denied since he is not now a member, having had his membership terminated July 1st by the new amendments. Mr. Olson seconded the motion which was unanimously approved.

Edwin E. Howard, a member of the staff at the College who has a vested right based on 10 years membership service requested 2 years of prior service on the basis of having taught the year 1947-48. Mr. Olson moved that the request be granted. Mrs. Fisher seconded the motion which was unanimously approved.

It was pointed out that since July 1, 1947 no payments of the employer's contribution on behalf of Miss Nutterville's salary, being paid at the Warm Springs institution, had been made. There was due \$70.00 each for the 2 years 1947-49 and $3\frac{1}{2}\%$ plus $\frac{1}{4}\%$ for the first 3 months of the current year. Mr. Olson requested that the matter be referred to him by letter so that he could take it up with the Board of Examiners.

It was moved by Mr. Olson and seconded by Mr. Gerber that the System purchase \$25,000 worth of Sewer Bonds of the town of Cascade at 104, plus interest. Motion passed.

It was moved by Mr. Olson and seconded by Miss Oliver that the System purchase \$15,000 worth of Water Bonds of the town of Denton at $101\frac{1}{2}$, plus interest Motion approved.

Mr. Gerber moved that the Board approve a resolution to add the name of Alta E. Fisher to the names of the Board members authorized to sign checks. Motion was seconded by Mr. Olson, and unanimously approved.

RESOLUTION #25

BE IT RESOLVED that Alta E. Fisher be authorized to sign checks with the other Board members.

It was suggested that a letter be written to the Board of examiners requesting space in the new Capitol office building as indicated by the plans of that building.

Mr. Gerber moved to approve the interim addition of Hilda Nye to the Retirement roles as of July 1st. Mr. Olson seconded the motion which was unanimously approved.

A Motion was made by Mr. Olson, which was seconded by Mrs. Fisher, to approve the following list of pension applications and that their accounts be referred to Actuary Young for calculation of their benefits, to begin with the September payroll. Motion unanimously approved.

Shirley Donovan
Louise Faber
John Henry Gaines
Carolyn Hazzard
Mary F. Leinenweber
Frances Maley
Nina Cole McMahon

Charles E. Mollett
Lyle M. Noble
Ruth H. Nourse
Mary Rogers
F. F. Sparks
Mary F. Sullivan
Leland B. Taylor

It was agreed to hold the next Board meeting at 10 A.M. on January 14th, either in the House Chambers or the Western Life Building, on Mr. Young's invitation.

Meeting adjourned.

Mary M. Condon Chairman
Robert A. Harper Secretary

RESOLUTION NO. 25

BE IT RESOLVED that Mrs. Alta E. Fisher be
authorized to sign checks with the other
Board members.

Signed

Mary M. CondonAlta E. Fisher.Raymond A. GerberJohn L. SavageJames H. Olsen

Dated September 24, 1949

EXECUTIVE SECRETARY'S REPORT

8/24/42

Since the authorization of the employment of another permanent employee we interviewed several applicants from the State University placement bureau in the Business Ad School. Some were unsatisfactory and some seemed not too interested. In the end, however, and after consulting with the local Retirement Board members, and writing to the out of town members, we employed Howard Vralsted, who graduated in Accountancy on August 17th from the University and started with us September 1st. His rate of pay was set at \$225.00 per month for the first three months and \$250.00 thereafter if he proved satisfactory. We suggested, also, that additional increments and advancements would be considered by the Board after the first year, as conditions seemed to warrant.

Mrs. Helen Burn left our employ as of July 1st. Her position was taken by Miss Ann Riis of Winston. We started her at \$145.00 with a promised \$10.00 each 3 months up to \$175.00 for the present schedule. We are particularly pleased to report that Miss Riis is most satisfactory. She began her employ July 25th. Mr. Vralstadt seems to be doing nicely but he has only worked for us for 3 weeks so it is too soon to pass judgement. He's had a great deal to learn in a short time.

We direct your attention to the Bank Examiner's report. He made no comments, so it is presumed all was satisfactory although we don't mind mentioning we were caught in a slightly "unready state", due to heavy business and short of help, which was quickly remedied.

We are glad to report that all of the equipment requested and granted at the last meeting is now in service. The correspondence continues to run much ahead of anything we've had previously. We are now working on prior service, re-instatements and purchases of out of state credit, as authorized under the new law. This is in addition to the usual tasks.

It might be well to mention also that the secretary of the Detroit Retirement Fund is pushing hard on an effort to get U.S. Treasury officials to permit State Retirement Funds to purchase Series F. & G. Bonds in unlimited amounts to avoid the investing of much money in premiums. He has asked our cooperation--an expression of your wishes on the matter would be a help.

As in the past, an effort has been made each fall to meet with teacher groups and such a trip is planned for this fall starting October 5th and ending October 14th through the central part of the state. It is hoped that this plan meets with your approval.

We wish to express our deep sense of loss at the passing of the State Treasurer, Neil Fisher, who had been a valuable Board member and co-worker.

The increase in amounts being paid to previously retired teachers under the new rules has brought many warm letters of happiness. A file of these letters is available for your inspection.

BOARD MEETING
Jan. 14, 1950

Meeting called to order by chairman, Miss Condon, a little after 10 A.M. In attendance were Mrs. Fisher, Mr. Gerber, Mr. John Savage, new Board member from Great Falls, the Actuary and the Secretary.

The minutes of the September 24th, 1949 meeting were read. Mr. Gerber moved that the minutes be approved, Mrs. Fisher seconded the motion which was approved. Copies of the December 31st financial report were distributed to each member. The Executive Secretary read his report, copies of which were distributed to each member. Mr. Savage moved that the report be accepted, Mr. Gerber seconded the motion, which was approved.

On the motion of Mr. Gerber and seconded by Mrs. Fisher the following payrolls were given approval:

Pension--July 1949 through December approximately \$31,000.00 per month
and at approximately \$32,000 for January through March 1950.

Office--July 1949 through March 1950 at approximately \$1570 per month.

Under the heading of Old Business there was read the Board of Examiners approval of the use by the Teachers Retirement System of office space in the new building according to the original plans.

The compilation of all the accumulated Attorney General's rules, Board rules and Board actions was presented to the individual members of the Board for their examination and study between meetings so that they would be prepared to act on them at the next meeting of the Board.

The Chairman passed on to New Business. A report was made of the cash on hand. Mr. Gerber moved that the Board approve the recent purchase of \$100,000 U.S. Treasury Bonds, 1967-72 and also approve the investment of \$100,000 in Series G. Bonds and another \$100,000 in 1967-72 Treasury Bonds at market price. Mrs. Fisher seconded the motion which was given unanimous approval.

The Board's attention was drawn to a total of \$15,276.76 in Annuity Savings accounts that had been inactive for over 5 years. It was moved by Mrs. Fisher and seconded by Mr. Savage that these accounts be transferred to the Pension Accumulation Fund on the condition that the right of refund would in no manner lessen if and when proper claim be made. Motion passed. (See R.R. Dec. 4, 1948)

Mr. Gerber moved that Mr. Savage's name be added to those authorized to sign checks through Resolution number 26 to be inserted in the minutes of the Board. Mrs. Fisher seconded the motion which received unanimous approval.

It was moved by Mr. Savage and seconded by Mrs. Fisher to set the rate of interest paid by the System on Annuity Savings accounts at 2½% for the fiscal year ending June 30, 1950.

Dr. R. T. Clark at the State College had a period of service with the College, beginning July 1946 and ending June 1949, in which payments of both the employee and employer had been overlooked. He presented his payment and the College did the same on its portion and requested the 3 years membership service be granted. Mrs. Fisher moved

that his request be granted and Mr. Gerber seconded the motion. It was approved.

Mrs. Ruey Peterson, having been unable to teach during the year 1947-48 because of illness constituting disability, petitioned the Board to grant her prior service rights, based on Dr. Benson's statement. Mr. Gerber moved that she be given prior service rights, basing his action on previous Board action in such cases. Mrs. Fisher seconded the motion which was approved.

The Chairman outlined the situation in the case of Mr. Hadleigh Marsh, who is employed at the State College and by the Livestock Sanitary Board. He requested that \$1600 of his College salary be recognized for Teacher Retirement purposes since the Public Employee System recognized his account on the basis of \$3360 of his salary. Since it was deemed that no overlapping existed Mr. Gerber moved that the Teachers Retirement System recognize for our System only up to \$1600 per year. Mrs. Fisher seconded the motion which was approved.

Mr. Gerber moved that the Board give official sanction to its previous approval by letter to Mr. Harper's trip to Washington Dec. 1 & 2nd and that his attendance at the annual meeting of the National Council on Teacher Retirement be approved, which is to be held February 27th & 28th, 1950 in Atlantic City. Mr. Savage seconded the motion which was approved.

The Board unanimously voted to approve the renewal of Mr. Harper's Notary Commission on Mrs. Fisher's motion and Mr. Gerber's second.

Official approval was unanimously given to the following interim pension applications on Mr. Gerber's motion and Mr. Savage's second:

Clara Anderson	Elizabeth Johnson
Irvin Collins	Estelle Province
Florence Dorr	Anna Belle Shepard
Dora Drowatzky	S. A. Slack
Clara Folsom	Luella Tate
Mildred Griswold	J. C. Taylor
Edward Isaac	J. O. Tretsven

Mr. Savage moved that the following disability applications be approved for payment and turned over to the Actuary for calculation. Mrs. Fisher seconded the motion which was unanimously approved.

✓ Mrs. Mary Faye McGlynn ✓ Beulah B. Limpus

Mr. Savage moved that the following 7 pension applications be approved for payment and turned over to the Actuary for calculation, provided that the two that are incomplete be approved only when they have completed the records and made proper application.

✓ Mary Jane Davies	Winifred Schmid (incomplete)
✓ Jessie Dayhoff (incomplete)	✓ T. A. Seibert
✓ Elizabeth Moberly	✓ Robert H. Green
✓ W. D. Ridgley	

Mr. Gerber seconded the motion which was unanimously approved.

A short discussion followed pertaining to various problems.

The next meeting date was suggested as March 25th at 10 A.M.

Meeting adjourned.

Mary D. Condon
Robert W. Harper

RESOLUTION NO. 26

BE IT RESOLVED THAT Mr. John L. Savage
be authorized to sign checks with the
other Board members.

Raymond Gerber

John L. Savage

Alta E. Fisher

Mary M. Condon

Dated January 20, 1950

EXECUTIVE SECRETARY REPORT
Jan. 1950

Good progress is being made in the fall and winter work of the Retirement office. We started posting a couple of weeks earlier than usual and have kept closer to the date of receipt than before in posting operations. Our new help seems to have learned their tasks and are proceeding with good dispatch. We did use a small amount of extra help in late November and early December when it appeared we might lag behind. There were 103 notices pertaining to "Vested Right" on accounts inactive--of 10 or more years--since July 1st; some replied by establishing the vested right, some did not reply at all, some letters were returned undelivered and some withdrew their funds.

The correspondence continues very heavy with emphasis on questions pertaining to prior service rights and purchase of "out state" rights. It is planned to give more public attention to prior service rights along in March so that those desiring and legally entitled to request prior service may do so before the dead-ling of June 30, 1950.

There were quite a few interim applications for benefits. Approval is requested later in this meeting. We sent the December pension checks early, as has been our custom (December 21st). A Christmas greeting was enclosed, sample is herewith presented. Also a sample of quite a few pleasant acknowledgements; also one of several pertaining to the certificate we send to each retired teacher.

An interesting comparison is herewith presented pertaining to Retirement benefits granted in the year 1948-49 under old rules and ones granted to Jan. 1, 1950 (1949-50) under new rules--

	No.Cases	Average yrs.	Average salary	Average Benefit
1948-49	33	32.3	1666.87	63.68
1949-50	48	32	2493.77	93.42

The salary increase was 49.6%

The benefit increase was 46.7%

Our overall average now is \$60.67 (514 retired getting 31, 186, 24)

Our overall average 2 years ago was \$50.00

Highest being paid now is \$180.11 per month.

On investments we seem to have had a dry spell; consequently have had to resort to U.S. Treasury 1967-72. No F.H.A.'s seem to be available at the present. This, too, is referred too again in the main body of this meeting, as is setting of interest rates for this year.

At the last meeting mention was made of an attempt to collect the Employers' Contribution at the Warm Springs institution on behalf of Catherine Nutterville. The matter was to be discussed with Mr. Olsen. After a careful investigation it was found advisable to prepare a claim for next year's legislation.

At the request of the Butte teachers Union I spent $2\frac{1}{2}$ days conferring with these teachers in their individual records. As time permits this type of personal contact will prove very beneficial to the member's individual understanding of the System. Unless an objective is voiced I will continue to try to help the teachers as much as possible on this score. The fall speaking tour took in Stanford, Winnett, Jordan, Circle, Glendive, Wibaux, Baker, Ekalaka, Miles City, Broadus, Forsyth, Harlowton and Great Falls.

About the middle of November you all kindly consented to my attendance at a meeting in Washington D.C. of the Executive Committee of the National Council on Teachers Retirement. The items of interest were as follows:

- (1) Change in meeting date and place of the N.C. on T.R.
- (2) Elimination of the \$100,000 limitation purchase of Series F & G Bonds.
- (3) Federal interference on coverage of teachers for retirement
- (4) Raising exemption to \$1440.00 for Income tax payments, teachers and other public employee retirements.

On the last I was advised by Mr. Mansfield to wait a year before pushing our request. On the meeting date and place a compromise agreement was arrived at to have meetings on odd years (Legislative years) at a place and time separate from the Administrative meeting and consequently more centrally located and better timed. This is to be voted on at the coming February meeting.

Through Mansfield's help an excellent conference was held with Mr. Bartell, Fiscal Assistant Secretary of the Treasury, who has promised to assist us in our purpose on the Bond Question.

The optional coverage under H.R. 6000 proved to be the real hot issue of the day and while I was unable to get a conference with Senator Murray on the subject a letter has been written to him (Dec. 19th) requesting arbitrary exclusion, after first polling the opinions of the Board members. The situation is simply that the threat of duplicate coverage under Federal Social Security is a subtle and serious problem that would more easily be stopped now by amending H.R. 6000 to provide for total exclusion of those now covered by publicly supported Retirement Systems.

I'm glad to say that Miss Condon, Mr. Olsen and the State Highway Patrol, the Firemen and Policemen of this State have joined us in voicing objection to this situation.

A problem pertaining to the new laws is sure to arise and I wish to ask your's and the Actuary's counsel----is positive action on the part of the individual required to establish a "vested right"?

TEACHER RETIREMENT BOARD MEETING
March 25, 1950

Meeting called to order by Chairman, Miss Mary Condon; all Board members were in attendance except Mr. Olsen. The Actuary and Secretary were also present. The minutes of the January 14th meeting were read and approved as read by unanimous consent. The Secretary read his progress report.

Miss Condon was called out for a few minutes and asked Mr. Gerber to act as Chairman during her absence.

Mr. Savage moved that the Secretary's report be approved with the comment that an effort be made to distribute information about the deadline on prior service through the County Superintendents. Mrs. Fisher seconded the motion, which was approved.

Mr. Savage moved approval of the payrolls as follows: pension in the approximate amount of \$31,000 per month and office in the approximate amount of \$1575 per month for the months of April, May and June. Mrs. Fisher seconded the motion which gained unanimous approval.

Miss Condon returned to the meeting and resumed chairmanship.

Mrs. Fisher moved that the revised list of Rules and Regulations of the Retirement Board, dated January 15, 1950, be accepted and placed in the minutes of the meeting as such. This being a compilation of the accumulated Board rules and Attorney Generals' opinions up to that date. Mr. Gerber seconded the motion which was approved.

The Secretary brought up the question of whether a vested right had to be requested or was automatic if money was not taken out. A short discussion ensued with the result that Mr. Gerber moved that the Secretary be instructed to request an opinion from the Attorney General on the matter. Mrs. Fisher seconded the motion which was approved.

Mr. Gerber moved that the following Bond purchases be validated at marker price:

\$24,000	Ravalli Co.(Darby) S.D. 9, 2.4% bonds to yield 2.3 to 2.4%
\$22,400	Mineral Co.(Superior) S.D. 2, 2.4% Bonds to yield 2.3 to 2.4%
\$28,000	Ravalli Co.(Darby H.S.) 2.4% to yield 2.3 to 2.4%
<u>\$ 5,000</u>	Cut Bank General Obligation, yield 2.4%
\$79,400	

Mr. Savage seconded the motion which received unanimous approval.

Mr. Gerber moved that the Secretary be authorized to purchase up to \$300,000 in U.S. Government 1967-72 bonds before the next meeting of the Board. Motion approved.

Mr. Young pointed out the possible profit available through the sale of some government bond holdings and re-investment in others. In line with this possibility Mr. Gerber moved that the resident investment committee be authorized to sell and buy such government bonds as will achieve this purpose. Mr. Savage seconded the motion which was approved.

Mr. Gerber moved that Mr. Harper be given authority to replace the present accountant, Howard Vralstadt, who recently resigned his position. Mr. Savage seconded the motion which was given unanimous approval. Mrs. X moved that the Secretary be authorized to move the office to new quarters in the new State Office Building when that building is ready for occupancy. Mr. Savage seconded the motion which was approved.

A letter from Dr. Renne was read, drawing attention to the retirement accounts of Gustafson, Tretsven and Isaac, all formerly contributing members of the System but who by reason of Section 4 of Chapter 28 of the Laws of 1949 were not permitted continued active membership in the System since they were members of the Federal Retirement plan as employees of the Extension Service. Since July 1st these men have been on the retired rolls and now wish to forego the monthly payments and have instead a vested right with the System as inactive members not receiving benefits, refunding to the System moneys received so far. Mr. Gerber moved that the said accounts be placed on the vested right basis pending their application for a benefit at such time as they cease employment with the Extension Service, the accounts to earn the usual rate of interest for the improvement of the annuity. Mrs. Fisher seconded, and the motion was approved.

A discussion as to possible legislation ensued. It was thought wise not to present any legislation at the 1951 session but the situation should be watched carefully as to financing of pensions in case any action in this matter would be deemed advisable later this year.

The Board discussed the application of Willis Johnson on the State College staff for re-entry as a member. Mr. Gerber moved that Mr. Johnson be re-established as a member as of September 1, 1949. Mrs. Fisher seconded the motion which was approved.

The interim Retirement applications of Stella Myers, Fergus Co., and Mary P. Lee, Chouteau Co., were approved on the motion of Mr. Savage and second of Mr. Gerber.

It was moved by Mr. Savage and seconded by Mr. Gerber that Mr. Harper be permitted to accept the nomination, and responsibilities pertinent to, as a member of the Executive Committee of the National Council on Teacher Retirement. The motion was approved.

The next meeting was set as 1 P.M. June 3rd.

The meeting was adjourned in proper form at 12:15 P.M.

Mary M Condon

Chairman

Robert H. Harper

Executive Secretary

In a meeting of the Resident Investment Committee of Teachers Retirement System of Montana, at which a quorum was present, held on April 6, 1950, the following resolution was approved:

BE IT RESOLVED that Mr. Robert W. Harper, Executive Secretary of the Teachers Retirement System be hereby granted the authority to execute all assignments or other documents necessary to effect the sale of the following United States 2 $\frac{1}{2}$ % Treasury Bonds held by the Retirement System:

	<u>Maturity Dates</u>	<u>Par Value</u>
Sept. 15	1967-72	\$661,000
April 15	1964-69	150,000
March 15	1965-70	100,000
March 15	1966-71	115,000
		<u>\$1,026,000</u>

This authority is granted on the Board action of March 25, 1950 with the sole purpose of exchanging these bonds, the total proceeds of the sale to be re-invested in the nearest sum possible in United States 2 $\frac{1}{2}$ % Treasury Bonds due 12/18/67-72, with due date of December 15th. Any fractional cash remaining to be deposited in the bank.

Signed Mary M. Carlson

Altha E. Fisher

Raymond A. Gerber

On the 6 of April, 1950 before me J. H. Dion, Notary Public for the state of Montana, there appeared before me the following: Arnold Olsen, Altha Fisher and Floyd Young, known to me to be members of the Resident Investment Committee of the Teachers Retirement System, and acknowledged that they execute the above document.

SUBSCRIBED AND SWORN TO before me this 7th day of April 1950

J. H. Dion

NOTARY PUBLIC IN AND for the state of

County of _____

EXECUTIVE SECRETARY'S REPORT
March 1950

The quarterly period just being completed is the one usually characterized by a great struggle to get on top of all routine work in the office so as to brace ourselves for the mad rush of affairs in the Spring and Summer months. That means there is little of outstanding interest to report. Work has proceeded satisfactorily; posting operations are going along satisfactorily; prior service requests are heavy and we are processing lots of prior service claims. Refund applications have been slow so the girl on that desk has been given the task of requesting addresses of dormant accounts and refund applications have been mailed to these people in the hope that we can clear out as much dead wood as possible.

Information was put in the M.E.A. Journal pertaining to the deadline of June 30th on prior service requests. In May we will issue another warning about it through the public press.

The meeting in Atlantic City is reported on another sheet, copies of which have been passed out. At this meeting in the election of Officer and Executive Committee of that body I was elected to a two year term on the Executive Council. I feel this should be particularly brought to your attention for approval or disapproval since I'll be expected to attend the Council meeting in Washington in December.

As a part of "New Business" in the agenda I have mentioned "New Legislation" and the present time would not be too soon to think about anything you might have to suggest.

I have spoken on retirement in Worden, Laurel and White Sulphur Springs, Havre and Great Falls on their invitation. I am now in the process of arranging time in Billings for a personal interview session which will probably take three days sometime in April.

Mr. Howard Vralstad has resigned, effective April 1st, to go with the Board of Equalization. Several people have applied for the job and reference is made to these applications later in the meeting.

RULES & REGULATIONS

1-1-50

Origin:

A.G.--Attorney General Opinions
 R.R.--Rules & Regulations
 R.B.--Retirement Board Ruling

I. DEFINITIONS.

Employer. To include the State Board of Education in instructional services.

R.R. 6/6/42

Teacher. To include teachers employed in custodial institutions, not to include the head of the institution unless in instruction in which case he may be included.

R.R. 6/6/42

Not to include teachers employed in Federal Government schools or Reservations or Fort Peck teachers under Government pay.

R.R. 6/6/42

II. ELIGIBILITY.

Teachers must conform to definition of teacher to join Retirement System and get prior service.

A.G. 7/22/38

Acting dean is eligible to become a member. A.G. 9/6/39 also A.G. 9/14/39

Members of administrative, instructional and scientific staff of State College are eligible to become members.

A.G. 9/14/39

(excludes members of Extension Service according to 1949 laws.)

A.G. 9/14/39

Board may decide eligibility for membership of those receiving partial payment in Federal funds.

A.G. 9/29/39

School nurses may be members of the System

A.G. 2/26/44

Opinion #182

Retirement Board may decide in each case if a school nurse is to belong to the System.

A.G. 2/26/44

Opinion #181

III. ADMINISTRATION.

Extra or temporary help may be employed by the Executive Secretary as needed and when necessary.

R.B. 2/28/42

Retirement System employees entering military service in time of war are to be given a month's vacation with full pay.

R.B. 2/28/42

Any teacher not a member of the System may not be compelled to quit at age 70.

A. G. 11/30/39

An annuitant can earn any amount of money while receiving a Retirement Benefit as long as it isn't teaching (later decided by Board to restrict meaning to teaching in Montana).

A.G. 11/19/37

R.B. 1948

Average compensation is for actual teaching and is based on rate of annual pay as contrasted to actual earnings.

A.G. 12/5/38

The minutes of the proceedings of the Retirement Board shall be open to the public for inspection but the individual records of its members shall be regarded as confidential material not open for public inspection.

R.B. 6/6/42

Since so few disability cases are handled by the System the Retirement Board may accept the report of a qualified physician who can be hired by the Retirement Board to make the examination, if necessary. R.R. 6/6/42

The fiscal year for the System shall coincide with the legal school year, July 1st to June 30th, and an annual audit is to be conducted by the State Board of Examiners as close to June 30th each year as possible. An annual statement is to be drawn up for each June 30th. R.R. 6/6/42

A return to teaching in Montana is the only reason for discontinuing a Retirement allowance. Disability benefits may be discontinued if recovery has been clearly made, if such recovery is prior to age 60. R.R. 6/6/42

If teacher informed local school clerk of his desire to be exempt within legal time and such fact can be established by proper affidavits for both teacher and school clerk this shall be deemed as sufficient evidence to come within the law as a non-member. R.B. 4/15/39

Part-time post graduate instructors at the University (such as fellowship instructors) are not eligible for membership. R.B. 11/24/39

Three resident members of Retirement Board may give temporary and immediate approval to applications for benefits between meetings with formal approval to be given at next regular meeting of the Retirement Board. R.B. 5/27/44

In regard to absences during vital years for prior service rights, that after the complete facts are available each case will be individually considered on its merits by the Retirement Board. R.B. 6/11/49

The Secretary may transfer any individual savings account that has remained inactive for 5 years or more from the Annuity Savings Fund to the Pension Accumulation Fund, provided no Vested Rights are lessened in such transfer and also provided that upon proper identification by the owner that said account may be returned to the Annuity Savings Fund for purposes of refund to said owner. R.B. 12/4/48

The names of the retired persons shall not be made public. R.B. 1948

Under the provisions of the Teachers Retirement System a member is compelled to retire at least on the 1st day of September following his or her seventieth birthday. A.G. 5/13/49

Refund of three-fourths of accrued interest to last interest crediting date should be made to persons who became members on or after September 1, 1937 and before July 1, 1945. No interest shall be paid to those who became members of the Retirement System after July 1, 1945 and later withdraw their account. No provision being made by Chapter 137, Laws of 1945 for such interest refund. A.G. 12/20/48

When accounts that have not been marked "Vested Right", and the teacher has ceased active teaching, interest shall not be paid beyond the next June 30th after termination of six months beyond cessation of teaching. R.B. 1/14/50

IV. PRIOR SERVICE

No prior service for Canadian or other Foreign service, only continental United States and its insular possessions. A.G. 11/18/37

No prior service for a teacher who taught in another state during 1936-37 or

1938-39 for University people and under 1949 clause presumed to mean 1947-48. However, he need have only been teaching within the confines of the State, it does not specify the public schools. (Huston case) A.G. 11/18/37

In counting prior service 8, 9, 10, 11 or 12 months may be counted as a year. The Board has the power to determine this, and how little service that can be accepted for one year. A.G. 4/12/38

Teaching in a Federal school 1936-37 will not bar the individual from getting prior service although that year cannot be counted as part of the teacher's record. A.G. 10/26/39

Any length of time taught in 1936-37 (and presumably 1947-48) entitles the applicant to membership with prior service. A.G. 10/26/39
5/19/38

War service includes all persons so engaged and for past and future wars. A.G. 8/26/39

Short periods of teaching used as prior service claims must indicate they represent the whole year at a time. Short odd periods may be put together to make up a year, if the year in which it occurred has not already been counted. R.R. 6/6/49

A transcription of the teacher's service shall be first compiled and forwarded to the teacher for verification. After this transcription has been returned properly signed and notarized the prior service certificate is then issued. R.R. 6/6/42

In all cases of teachers whose absence is due to illness or furthering of cultural or professional advancement during the vital years 1936-37, 1947-48, they may be granted prior service if their absence is sustained by proper affidavit testifying to such absence for reasons stated by a physician or a school official. R.R. 11/20/37

If employer failed to make payments on behalf of teacher that teacher should not suffer and back payments may be made with prior and membership rights re-established and Board may require said delinquent payments to be made by the district. A.G. 12/6/41
Opinion #321

Residence Hall Directors at the University and College having supervisional and administrative duties or instructional duties are permitted membership with prior service if any are available. R.B. 5/22/42

Rights retained while at War. See A.G. #385 under Membership Service.

Persons must be members of the System to be eligible for benefits. R.B. 9/24/49

V. MEMBERSHIP SERVICE.

Those employed at the University as Air Force instructors during War emergency and compensated only partially by University shall not be members of the Montana System. R.B. 5/22/42

Nurses in the College and in the public schools may be members, but Board may consider merits of each individual case, if desirable. R. B. 5/27/44

District school nurses must be members if wholly paid by school district. R.B. 9/29/45

Persons who are employed in a capacity where they receive remuneration from more than one source may have membership in the Teachers Retirement System only to the extent of the salary received which, according to law, would be subject to the employers contribution and where another agency demands retirement deductions for the full amount of the individual's salary then they shall be deemed excluded from membership in the Teachers Retirement System. Chapter 87, Laws of 1937, Section 4, part 2. Note: this is somewhat modified by the 1949 amendments becoming law July 1st of that year. R.B. 1/15/49

"Held: A member of the State Teachers' Retirement System who is inducted or ordered into the military services of the Government of the United States and who, within forty days after he is released from such service, makes the proper written application to the school district by which he was formerly employed--in the event he does not retire on a pension or does not die--may be restored to his former position of employment. In the event he is thus re-employed, he shall be considered to have been on leave of absence or furlough during the time he was in the military services of the Government of the United States and shall retain his membership and status in the Teachers' Retirement System." A.G. 3/26/42

Clerk in County Superintendent's office may not be a member. A.G. 5/24/43
Opinion #58

Out of State Service. Under the category of prior and purchased "Out" State service the total for either or both together shall be limited to 10 years outside Montana. R.F. 1/14/50

VI. BENEFITS. Retirement or Disability

No person is eligible for a disability benefit who is over 60, since they then would be eligible for a Retirement benefit.

Refunds may be made when all deductions for the period of teaching just completed have been received on behalf of the teachers applying for a refund. These refunds will normally be paid in one lump sum. The teachers must have actually severed connections with the teaching profession in Montana for what is believed to be permanently, but this shall in no way be construed to prevent them from, at a subsequent date, again becoming a member of the teaching profession within the state. The refund shall consist of the total of the deposits plus three-fourths of the accumulated interest to the last June 30th if the account was begun before 7/1/45, if not, no interest would be paid and would instead be transferred to the P.A.F. Refunds upon the death of a member of the Retirement System shall be made when the beneficiary supplies proper evidence as to the date of passing of the teacher member. The beneficiary to whom the money shall be paid shall be the last beneficiary of record as furnished by the teacher upon the retirement blank form for change of beneficiary. In the case of payments upon the death of a member, the same procedure as with refunds shall be effective in regard to the amount, namely, total of deposits less any unpaid membership fee, plus three-fourths of the accumulated interest to the last June 30th, if the account was begun before 7/1/45. R.R. 1942

Payments on disability cannot be made prior to date of formal application, no matter when disability began. Resolution #6 R.R. 1/28/39

Retirement benefit may be paid if annuitant receiving employment by state, county or city other than teaching in Montana. R.B. 12/6/41
A.G. Opinion 261

Upon retirement for disability or on pension the teachers shall receive a certificate of appreciation from the Retirement Board. R.B. 6/4/47

A return to teaching in Montana is reason for discontinuing a Retirement allowance. Disability pensions may be discontinued if a recovery from disability has been clearly made, if such recovery is prior to age 60. Effective Oct. 1, 1948.

R.B. 9/25/48

Action taken by the Board subsequent to the Supreme Court decision of December 1948 was to the effect that there should be paid any interest due up to the time of the withdrawal, if such withdrawal had been made after July 1, 1945, and the request must be made by the member.

R.B. 12/4/48

The whole annual salary to be used in the average final compensation must be represented by a 5% payment (up to \$5000)

R.B. 3/26/49

No fractional part of the monthly benefits are to be paid because law specifies 12 equal installments. Annuitant must be alive on last day of month to receive benefit.

R.B. 9/25/48

A member must be considered to have retired 30 days after the date of his application form.

A.G. 1/6/45
Opinion #5

If a teacher's birthday falls on September 1 and she attains age 70 at that time then her compulsory retirement will be September 1, on the following year.

A.G. 7/7/45
Opinion #52

On vested right the ten years of service required for eligibility shall be Montana service.

R.R. 1/14/50

VII MANAGEMENT OF FUNDS.

The Retirement Board shall, by resolution, set the rate of interest for the current fiscal year at its December meeting of each year; same shall be credited on June 30th each year.

R.R. 6/6/42

American Annuitants Table of Mortality to be used as basis of our Actuarial calculation (R.B. 10/2/37), amended in December 18, 1943 to 1937 Standard Annuitants Table when $2\frac{1}{2}\%$ rate was adopted.

Retirement funds should be invested under the provisions of the Statute governing investments of moneys in the Montana Trust and Legacy Funds, to-wit: All investments of moneys must be in General Tax obligations of the State of Montana or Federal Government.

R.B. 1/22/38

The Retirement Board may invest in F.H.A. and Vets Housing loans since they are guaranteed by the Federal Government.

R.B. 10/4/48

Also see Supreme Court, December, Kraus vs Riley, #7841

June 29, 1938, Pacific 80 - 2 - page 864-66

Mont. #107, page 116-122 (Retirement Board may use its own discretion).

VIII. METHOD OF FINANCING. A.S.F.

Teachers must have completed both 35 years of service and be over 60 to be exempt from paying into A.S.F.

A.G. 11/18/38

An out of state teacher may not preserve rights in Montana System by voluntary payments to A.S.F. which do not represent Montana teaching.

Exchange teachers do not lose time or rights while teaching in another State or County since payments are made by Montana School Districts.

A.G. 12/6/38

Outside exchange teachers not being paid by a Montana school district, may be ignored for payments and membership. R.B.

If inadvertently, deductions have been taken from the salary of a teacher member, who has exceeded thirty-five years of service and passed the age of 60, these may be refunded to the members, if the member so desires, back to the point where such joint accomplishment of the maximum qualifications has been attained. The refund is not compulsory it may be used to purchase an additional annuity over and above that which the annuitant is legally entitled to receive by reason of their record. The expense dollar, or membership fee, must still be paid.

The Retirement Board shall regard any person employed by a school district as a temporary employee if they are employed for a period less than thirty days and hence no deductions shall be made on their behalf by their employer. If, However, the teacher is employed for a period in excess of thirty days, she shall be regarded as a regularly employed teacher and the proper deductions and the \$1.00 membership fee shall be paid on behalf of said teacher by the district. One qualification may be extended, if in the discretion of the Board's representative, the period to be taught is so close to the end of the school year that only a period slightly in excess of thirty days would be taught, then the teacher may be exempt from remittance to the Retirement System.

The total compensation of the employee may be regarded as the cash salary paid by the district plus the additional compensation granted by the district in the manner of rent, fuel, light or other services. The teacher may, but is not required, pay on the basis of the total compensation; if the teacher does, the district must do likewise.

All transactions conducted by the Retirement Board in the investment field shall be recorded in separate income and profit or loss accounts during the fiscal period but at the conclusion of the fiscal period, those accounts shall be closed into the Pension Accumulation fund.

The expense dollar chargeable against each account shall be due on September 10th of each year, or the tenth of the first month of employment of the teacher. If any of these membership fees remain unpaid by the following May 1 they shall be deducted from the savings account of the teachers whose accounts are in default.

The expense shall be paid during a leave of absence. R.R. 6/6/42

Re-deposits.

When a re-deposit is made the service rights pertaining to the previous account, both prior and membership, are re-activated by such a re-deposit. R.R. 1/14/50

Expense Fund.

Teachers exempt from paying into A.S.F. by reason of age and service must pay \$1.00 membership until retired. A.G. 11/18/37

Teachers must pay \$1.00 membership fee to retain rights during leave of absence. A.G. 4/12/38

Amounts over and above a required sum to cover summer and fall expenses may be transferred from the Expense fund to the P.A.F. each 6/30. R.R. 1/14/50

IX. DUTIES OF EMPLOYER.

Employer & Employee Payment.

The Teachers Retirement law is not in conflict with any provision of the Consti-

tution. The Legislature may constitutionally make an appropriation whereby the State contributes to the P.A.F. fund.

A.G. 2/15/41
Opinion #17

"Held: Where teacher never notified Teachers' Retirement Board he did not desire to become a member, within statutory time, he automatically became a member of Teachers' Retirement System. It then was the mandatory duty of his employer to notify the Board and make monthly deductions for the teacher's salary of contributions and transmit same to the Board. Where the employer failed to perform the duty required by statute, such failure will not affect the teacher's membership or prior service rating. The board may now, under its rules and regulations, require delinquent payments to be deducted, as it may prescribe in its rules and regulations.

A.G. 12/19/41
Opinion #321

Teachers Retirement System doesn't have to give Bond to have a warrant replaced from a school district that has been lost.

A.G. 6/12/48

It is alright for units of the University to use University millage money to pay into the Teachers Retirement System.

A.G. Bottomly

TEACHERS RETIREMENT BOARD MEETING
June 3, 1950

Mary Condon
Chairman ^A called the meeting to order. In attendance, besides the chairman, were Mrs. Alta Fisher, ~~Alta Fisher~~, Ray Gerber and John Savage, and the Secretary.

The minutes of the March 25th meeting were read and approved as read by unanimous consent. The Secretary read his report which likewise was accepted as read.

Mr. Savage moved the approval of the Pension payrolls for the months of July, Aug. and Sept. of approximately \$31,000, plus additions made at this meeting. Mrs. Fisher seconded the motion which was approved.

Mr. Gerber moved that the office payrolls of July, Aug. and Sept. be approved in the approximate sum of \$1700, plus additions authorized at this meeting. Mrs. Fisher seconded the motion which was approved.

The Board approved the request for prior service made by June Logan Turmell on the basis of her disability, with the motion being made by Mr. Gerber, seconded by Mrs. Fisher, on the condition that her disability be proven with a doctor's affidavit or a statement from the Veteran's Administration. Motion approved.

Mr. J. M. Hindle, a former Fort Benton teacher, requested the re-establishment of his rights covering 22 years of service to June of 1945, based on a disability since that time, (he had applied for a disability at that time but it was denied) which was not grave enough to permit a benefit being paid him. Mrs. Fisher moved that his vested right be established on that disability. Mr. Gerber seconded the motion which was passed.

In the case of Fannie Lode, who requested clarification of her status, after reviewing the case the Board instructed the secretary to see that her membership be continued in this System according to the law, as a school nurse in the Billings schools.

Mr. Gerber moved that the 5-year actuarial valuation be made, as prescribed by law, and that Mr. Young's fee of \$1500 be allowed, one-half to be paid in the 1949-50 year and one-half in the 1950-51 fiscal year. Mr. Savage seconded the motion which was approved.

Mrs. Fisher moved that the following salary increase be granted, beginning in July, except as mentioned otherwise:

Miss Ann Riis from \$175.00 to \$185.00

Miss Jessie McKenna from \$200 to \$210

Mr. Hugh McKinney to be effective Sept. 1st, from \$250 to \$275

The motion was seconded by Mr. Gerber and approved.

Mr. Savage moved that the following equipment purchases be authorized:

One electric adding machine

Metal shelves in store room

Metal shelf in vault

Sectional bookcase (3 sections)

One 7'x3' table

Seven chairs (for table)

22-drawer unit 5½x7 files on stand for enrolling cards, old ones to be traded in on purchase

One metal stenographer's desk

One Burroughs chair, style #1

Four 4-drawer 8½x11 files

One coat rack

Estimated cost \$1500 to \$1600

Mr. Fisher seconded the motion which was approved.

Mr. Gerber moved that the Executive's salary be increased to \$5500 per year and that this additional cost to be incorporated in the budget and that the budget estimate for the Expense fund in 1950-51, totalling \$27,800, be then approved. Mr. Savage seconded the motion, which was approved.

It was moved by Mr. Gerber that the Resident Investment Committee be composed of the Attorney General, the State Treasurer and the Supt. of Public Instruction. The motion was seconded by Mr. Savage and approved.

Mr. Savage moved that the disability applications of Mrs. Evelyn Ferguson and Jennie Turner to be approved and turned over to the Actuary for calculation of the benefit to be paid, to begin in July. Mr. Gerber seconded the motion which was approved.

Mrs. Fisher moved that the following pension applications be approved for payment in July and that the Actuary be instructed to compute the benefits for same.

Nellie R. Aumock	Hulda Lausted
Nellie M. Baker	Delia M. Loftus
Eugene P. Brogan	Florence A. Loughrin
Lettie Chase	Clyde McCafferty
Maude M. Chase	Fred H. Madison
Alma B. Coe	Phelena Magee
John R. Culver	Lucretia Masterson
Ida W. Davis	Margaret H. Miller
Mary T. Dunn	Elizabeth Moberly
Grace Ede	Mayme Murchie
Lulu Joy Edgar	Lily O'Hare
Don C. Evans	Ralph M. Porter
Evelyn Ferguson	Grace Simpson
Nettie S. Gaghagen	Eleanor T. Slack
Dorothy E. Gates	Owen D. Speer
Fedelia L. Geiger	Merle L. Swan
Mary George	Grace Thompson
Deborah Gibbons	Jennie Turner
Delia Gibbons	Gertrude Verbeck
Agnes M. Hanratty	Elsie Waddell
Catherine P. Harrington	Margaret Oberlander
L.C. Howard	Alva Vinton
Mary Huddleston	Lucille Hennigor
Bertha Jacobs	Lila Johnson
Edna King	Mary K. Martin
Rayes L. Knoblock	Elizabeth C. Torger
Alice Konsmo	Homer Bradford
Alice Lamers	

Miss Condon reported that word had been received that the proper committee in the U. S. Senate had agreed to amend H.R. 6000 to exclude those covered by State and local Retirement Systems.

A short discussion ensued about matters of general good to the System. Sept. 16th was set as the date of the next meeting at 1:30 P.M. The meeting adjourned.

Mary B. Condon

Robert W. Harper

Executive Secretary's Report
June 3, 1950

The end of year rush is upon us, complicated by the filing of Form 48's (requests for prior service credits) that must be filed by June 30th.

Mr. J. Hugh McKinney started work in the Retirement office on March 28, 1950 on the agreed terms of \$225 for the first three months and then \$250. I have suggested a raise to \$275 in September later in the Board proceedings. He is an exceptional good worker.

Our request for permission to buy \$100,000 of Series G Bonds for each of the ASF and PAF funds was turned down by the U.S. Treasury Department.

A letter of advise with pension application forms was sent in early May to each of the 11 teachers in Butte whose case is before the Supreme Court, advising them that Retirement checks cannot pre-date their date of application. The thought being that they could apply now and have payments begin in July. It seems they feel that an application now would jeopardize their case in the Supreme Court. Twice the lawyers have called in our office to find out what the situation would be in case they get an unfavorable decision in July. I said they should apply at once and we might be able to get them on the July payroll, but no later than the August check.

As far as can be ascertained we will move into the new quarters some time in July. We hope soon, so our task of totalling accounts won't be too much disturbed. The equipment requested is mostly to meet the needs of our new quarters.

A notice was inserted in the press pertaining to the deadline on prior service application. It appeared locally on May 11th and probably state papers May 12th.

A letter was written to all County Superintendents on the same subject asking that notice be given in their local County papers. This, together with all the talking I've done and the notice in the M.E.A. Journal, should leave no room for the excuse that ample warning was not given.

Work in the office is progressing satisfactorily and some extra help will be used during the summer to take care of the many tasks to be done.

Robert W. Harper

TEACHERS RETIREMENT BOARD MEETING
Sept. 16th & postponed to Sept. 23rd, 1950

The meeting was called to order by the chairman, Miss Condon at 1:45 P.M. In attendance besides the chairman were the Board members, Mrs. Fisher, Mr. Gerber and Mr. Savage. In addition there were Secretary Harper and Actuary Young.

The Secretary read the minutes of the June 3rd meeting. Mr. Gerber moved the acceptance of the minutes as read. Mr. Savage seconded the motion which was approved. The Secretary read his report. Mr. Gerber moved the acceptance of the Secretary's report and Mrs. Fisher seconded the motion, which was passed.

Copies of the Aug. 31st financial report and the National Council on Teachers Retirement 1950 meeting were distributed.

Mr. Gerber moved the approval of the pension payrolls in the approximate amount of \$35,000 to be approved for the months of October, November and December and the office payrolls in the approximate amount of \$1700 per month for October, November and December. Mrs. Fisher seconded the motion, which was approved by unanimous vote.

Mr. Young presented a preliminary draft of the June 30, 1950 bi-annual report and statement of the actuary's five-year valuation. A short discussion ensued, regarding the problems of the future. Mr. Gerber moved that the Actuary's report be accepted and approved after the addition of graphs indicating the withdrawal rates and that it be mimeographed for public distribution. Mrs. Fisher seconded the motion which was unanimously approved.

Mr. Olsen arrived at the meeting. The Board had a general discussion on the costs of increasing the minimum pensions and as a result requested Mr. Young to prepare some data on the cost to the System to increase the minimum Retirement benefit from \$50.00 to \$75.00 per month on 35 years of service. This information to be available for the next Board meeting in case the Board should desire to formulate plans for legislation.

Mr. Gerber moved that Florence Pasco's request for prior service be disapproved until such time as some proper evidence be supplied that she had complied with the law governing such requests as to time of application. Mr. Savage seconded the motion which was approved unanimously.

Mr. Olsen moved that Jennie Mae Gerteson's request for membership service from 1938-41 be denied until she can prove that this was a public school under the laws of Montana. Mr. Gerber seconded the motion which was approved.

In the matter of \$16.50 deposited in error by the school clerk on behalf of Frances Lillian Schofield Mr. Savage moved that the sum be refunded to her instead of being held by the System since she was essentially a retired teacher. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved that Mr. E. A. Willson's request for prior service credit on the basis of U.N.R.R.A. service be denied since there is no mention of this type of service in the law. Mr. Savage seconded the motion which was approved.

Mr. Olsen moved that Miss Bernice Bayliss' request for prior service be given further consideration and be granted if investigation proves that the neglect of the school authorities caused her to not comply with the law in regard to requesting prior service. Mrs. Fisher seconded the motion which was approved.

Mrs. Fisher moved that the Secretary be authorized to purchase a new Underwood typewriter for \$115.42. Mr. Savage seconded the motion which was approved.

Mr. Olsen moved that the Board ratify the agreement signed with the Bennett Agency in Bozeman for the purchase of F.H.A. & Vets Housing loans. Mr. Gerber seconded the motion which was approved.

Mrs. Fisher moved that Mr. Harper be permitted to attend the Executive Council meeting of the National Council on Teachers Retirement in Washington, November 2nd, 3rd and 4th. Mr. Savage seconded the motion which was unanimously approved.

Mr. Olsen moved that the interim Bond purchase be approved as listed below:

\$18,500	Teton S.D. #1	Building Bonds
45,000	Petroleum S.D. #159	Building Bonds
43,000	Ravalli S. D. #7	Building Bonds

The motion was seconded by Mr. Savage and approved by unanimous consent.

Mr. Olsen moved the Secretary be authorized to purchase---

\$15,000	Chester H.S. 2 $\frac{1}{2}$ % Bonds @ a price to yield 2/45%
\$200,000	Series G. Bonds during next two months.

Mr. Gerber seconded the motion, which was approved by unanimous consent.

The Board discussed the possibility of selling the System's 1967-72 Federal Bonds and investing in Government Series G Bonds. Mr. Gerber moved that if a switch in these holdings were to be shown as a profitable exchange to the System that the local investment Committee be authorized to procede with the transaction. Motion seconded by Mrs. Fisher and unanimously passed.

Mr. Olsen moved that the appointment of Donna Bakke as a record clerk be approved at a salary schedule of \$145 to \$175. Mr. Gerber seconded the motion which was approved.

The Secretary reported the results of investigation on disability cases. It was thought best that another physical examination should be requested in the cases of Hugh Mosier and Fred Woodard and the Secretary was instructed to request these examinations.

Mr. Gerber moved the approval of the interim Pension applications of Jane Lamey and Mary Deegan Forewald. Mr. Savage seconded the motion which was unanimously approved.

Mr. Olsen moved the approval of the disability application of Ruth E. Nelson. Mr. Gerber seconded the motion which was unanimously approved.

Mrs. Fisher moved the approval of the disability application of Genevieve Buhner. Mr. Olsen seconded the motion which was unanimously approved.

Mr. Olsen moved that the following pension applications be approved. Motion seconded by Mr. Savage and unanimously approved.

Jennie Johnston Anderson	Adelene R. Rominger
Rosamond S. Clow	Laura Sauer
Oleana Elton	Myrtle Savage
Anna Lang	Florence Shannon
Mrs. Kate Mitchell	Mayme Bean
Lucia Mirrielee	

The next meeting was set for 1:30 P.M., December 2, 1950.

Mary M. Condon
Robert W. Harper

EXECUTIVE SECRETARY'S REPORT
Sept. 1950

Our annual audit by the Bank Examiners took place in two parts this year, the cash and investment section and the savings accounts the third week in July and the balance of the examination in September. The report will be available soon. Mr. Kahla seemed satisfied with everything.

We have had a very busy summer with prior service work and usual summer tasks to perform. Our college boys have all left our employ and now have teaching positions. Joe Vantura is teaching English and Latin in Winifred, Mont. and Tom McGonigal is doing the same in Baker, Montana. Joe had worked for us part time since October 1945 and Tom since September 1947. Replacing the two boys we have employed Donna Bakke, a Helena High School 1950 graduate as the record clerk at the same salary schedule as Ann, namely \$145.00 to \$175.00.

The annual totals showed a large increase in the Pension fund. My greatest hope was that we'd have three-fourths of a million on hand and even that was exceeded with a total of \$789,566.05. Our pension costs were increased by about \$5000 per month or \$60,000 per year in July of this year, but the 1949-50 income gained over the previous year by \$226,412.74. The total amount that the Pension fund has gained in the past five years over the cost of the pensions paid has been \$501,278.59. The low point of this fund was June 30, 1945 at which time it had sunk to \$138,037.94. The total gain from all sources to the fund since June 30, 1945 was \$651,528.11.

An examination of the membership picture is also interesting;

	<u>1945</u>	<u>1950</u>
Active members	4312	5091
Inactive membrs.	1472	515
University	379	667
State Dept.	<u>51</u>	<u>80</u>
	6194	6353

Note the big drop in inactive accounts; that was a result of our campaign this spring and summer to weed out dead wood.

Despite our efforts to avoid it, there have been several letters requesting prior service mailed subsequent to June 30th, the deadline for such requests.

My plans now call for a field trip across the northern tier of counties beginning October 2nd and ending October 12th. This will mean the customary two stops a day for talks, as done each fall since 1946. Great Falls and Missoula have asked that I work on individual interviews this fall or winter, which I shall try to do.

Word has been received that the Treasury Department has loosened investment restrictions and now will permit us to buy up to a million dollars the first 10 days of each of the fall months. I have suggested \$200,000 be purchased when money is available between now and the next meeting. We have a suggestion on an exchange of other Federal bonds.

In the past we have periodically employed the Hooper-Holmes Bureau to report on our disability claims. This was done this summer with the following results: three cases are under 60 and from reports might bear a further doctor's examination if the Board wishes to.

There is going to come another problem that I would like to ask the Board to consider--our present law provides free "prior service" for military service in time of war. What are we to do about the present emergency? It might be that the answer will be to wait and see.

Dr. Thompson and Wava Dixon, for the State Health Board, recently called in this office to discuss the membership of school nurses as provided for by the Attorney General's office and the Retirement Board's action in 1944. They felt that the membership of school nurses in the Teachers Retirement System was hurting their program to the extent that if and when a switch in employment classification was made they were generally ones who had less than 10 years of service and hence by not being able to transfer their rights to the Public Employee Retirement System they stood to lose service credits thereby.

I explained the reasons for membership and operation of the law and promised to bring the situation to the attention of the Retirement Board and they, in turn, expressed the hope that some means of transferring rights from one System to the other would be devised. They even indicated they might try to introduce such legislation, with the Board's permission and guidance.

In surveying Retirement benefits being paid, the average for all 553 is now \$64.08. For the groups retired in the past 3 year, 1950--\$104.00, 1949--93.42 and 1948--63.68. The years of service of these groups runs about 33 years on the average. The 1948 retirements were the last of the group under the old rules, with an average salary of \$1666.87.

TEACHERS RETIREMENT BOARD MEETING
Dec. 2, 1950

In attendance were Mr. Gerber, Mrs. Fisher and Mr. Savage, also the Actuary, Mr. Young and the Secretary. Mr. Savage moved that Mr. Gerber act as Chairman, due to Miss Condon's absence. Mrs. Fisher seconded the motion and Mr. Gerber took the chair. The Secretary read the minutes of the September 23rd meeting and also read his report. Mr. Savage moved that they both be approved as read. Mrs. Fisher seconded the motion which was approved.

Copies of the 1950 Biennial report were distributed. Mrs. Fisher moved the report's acceptance. Mr. Savage seconded the motion which was approved.

Mr. Savage moved that the payrolls for the months of Jan., Feb., & March be approved as follows:

Pension approximately	\$36,500 per month
Office approximately	1,600 per month

Subject to increases made at this meeting. Mrs. Fisher seconded the motion which was approved.

Mr. Savage moved that the Secretary be authorized to employ an inspecting agency to make a survey on all cases of retired persons receiving less than \$75.00 per month to determine if there are any retired teachers with insufficient income, due to small Retirement allowances. The motion was seconded by Mrs. Fisher and unanimously approved.

In cases of the disabilities that have been requested to have another examination it was found that the cases of Castleman, Woodard and Mosier were such as to warrant continuation of their monthly allowances. Mr. Savage moved that their monthly checks be continued. Mrs. Fisher seconded the motion which was approved.

Mary Reegan of Great Falls applied for prior service on basis of disability and resulting absence from teaching during the 2-year period 1948-50. Mr. Savage moved that her application be accepted if and when her sickness was confirmed by a doctor's statement. Mrs. Fisher seconded the motion which was approved.

A letter was read from Katherine McGuire, President of the Montana Federation of Teachers, expressing the wishes of that group for an increased minimum benefit if it could be done without endangering the security of the System.

A letter was read from the National Retired Teachers Association, expressing a hope that they might be supplied with a list of our retired teachers. The Board re-affirmed its stand that such a list is not to be made public and that the Secretary so inform the Association, but that if they wish to send a brochure about their group we could include it in one of our check mailings and let the individual decide if they wished to become identified with the NRTA.

Mr. Savage moved that the interest rate on Annuity Savings accounts be set at $2\frac{1}{2}\%$ for the fiscal year 1950-51, to be credited as of June 30, 1951. Mrs. Fisher seconded the motion which was unanimously approved.

Mrs. Fisher moved that Mr. Harper be permitted to attend the regular meeting of the National Council on Teachers Retirement in Atlantic City, Feb. 18, 19 and 20th, 1951. Mr. Savage seconded the motion which was approved.

Mr. Savage moved the Board ratify the interim purchase of \$27,700.00 GI Mortgages from the Bennett Agency in Bozeman. Seconded by Mrs. Fisher and approved. Mrs. Fisher moved to purchase \$100,000.00 Series G. Bonds in 1951. Seconded by Mr. Savage and approved.

A discussion ensued pertaining to H.S. District Bonds. Mrs. Fisher moved that the local investment committee be authorized to act as they see fit in regard to these Bonds after a study of the H.S. District Bonds in our portfolio. Seconded by Mr. Savage and unanimously passed.

Mr. Savage moved that Mr. Robert Turner's request for consideration of his sister's disability case be referred to the Attorney General for his consideration of any further action. Seconded by Mrs. Fisher and unanimously passed.

Mrs. Fisher moved that Mr. Hugh McKinney's salary be increased from \$275 to \$300 per month. Seconded by Mr. Savage and unanimously approved.

Mr. Savage moved the approval of Ethel Baldy's disability application. Mrs. Fisher seconded the motion which was unanimously approved.

Mrs. Fisher moved that the following pension applications be approved when records were complete and dates of birth made them eligible. Mr. Savage seconded the motion which received unanimous approval.

Mayme Bean
Neva Copeland
Christine Erickson

J. B. Kiracofe
Florence McIntosh
Agnes Rowell

Mrs. Fisher presented two problems, one pertaining to mail belonging to the System going to her office, and the other, the large stocks of bonds stored in the Treasurer's vault.

The Secretary was instructed to assist in the alleviation of these burdens on the Treasurer's office in so far as possible, bearing in mind that the law requires the custodianship of the State Treasurer.

Mr. Savage moved that an acknowledgement of gratitude to Mrs. Fisher be spread upon the minutes for her splendid cooperation and service as a Board member these past two years. Mr. Gerber seconded the motion which received unanimous approval.

The next regular meeting of the Board was scheduled for 1:30 P.M. March 24th. However, the Secretary, in cooperation with the Chairman, was authorized to call a special meeting if it was deemed necessary to consider any legislative problems.

Meeting adjourned.

Mary M. Condon
Chairman

Robert W. Harper
Secretary

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SECRETARIES REPORT

RETIREMENT BOARD MEETING
April 14, 1951

Meeting called to order at 10:15 A.M. All members were present except Mr. Olsen. The Actuary and Secretary were in attendance. The Secretary read the minutes of the December 2, 1950 meeting.

Mr. Savage moved the adoption of the minutes as read; Mr. Gerber seconded the motion which was approved.

The financial reports for the month of March were distributed. Mr. Gerber moved that the financial reports be accepted. Seconded by Mr. Savage and approved.

Mr. Savage moved that the payrolls for the months of April, May and June be approved in the following amounts:

Pension approximately \$37,000.00 per month
Office, approximately \$ 1,610.00 per month

Mr. Henry seconded the motion which was approved.

Under Old Business. As a result of the physical examination of our disability case, Alice Halvorsen Wilson, Mr. Savage moved to continue her monthly payments. Mr. Gerber seconded the motion which was approved.

The Attorney General's opinion was read denying any further payments to the estate or heirs of Jennie Turner (deceased disability case). His opinion refused the request of Robert Turner, brother, for a refund.

As a result of the survey made last December of retired persons receiving less than \$75.00 per month it was shown that 83.6% of the 380 cases considered had an income of sufficient size so that they were living comfortably; 12.1% of the group could be considered as needing help and the balance were cases not to be considered. In view of these facts Mr. Henry moved that the Board confirm the abstinence from action by the Retirement Board last winter in not presenting any legislation. Mr. Gerber seconded the motion which was approved.

Under New Business.

Mr. Gerber moved that the Board approve the membership of William A. Korizek, Jr., Helena, who is a teacher in the High School Auto Mechanics department. Mr. Savage seconded the motion, which was passed.

Mr. Savage moved not to allow the request for prior service made by Edith Hanson. It being quite obvious that she had not complied with the law to apply for this service prior to June 30, 1950. Mr. Henry seconded the motion which was approved.

In the cases requesting leaves of absence, Violet M. Boileau, John P. Dratz, Evelyn G. Rumel and others, they may be granted such requests if proper notification is given the Retirement Board by the employing district that such person has been granted a leave for the period stated and provided further that if an application is made for a refund said application must be made before expiration of six months after leave termination date. Further, that acceptance of another full time teaching position making a person ineligible to return to membership in the Montana Teachers Retirement System shall be considered a termination of the leave of absence. Mr. Savage seconded the motion which received unanimous approval.

It was moved by Mr. Savage and seconded by Mr. Gerber to add the name of John E. Henry to the list of Board members eligible to sign checks for the Retirement System; and further that the name of Alta E. Fisher be removed from said list. The motion received unanimous approval.

A motion was made by Mr. Gerber and seconded by Mr. Savage to accept the membership of Mr. John J. Sturn and Mr. Stanley Brooks only in the amount of the salary paid by Montana State College salary. That portion received directly from the U.S. Dept. of Agriculture cannot be recognized by us unless deposited with the State Treasurer for state disbursement. This motion received unanimous approval.

It was moved by Mr. Savage and seconded by Mr. Henry to confirm the action taken by resident members in approving the request of the N.E.A. to have Mr. Harper available for conference in other states on Retirement matters, should they so request, and such trip to be made at the N.E.A. expense. Motion approved.

It was moved by Mr. Gerber and seconded by Mr. Savage to deny the request for prior service in the cases of Anne Sanders and Mrs. Lulu Weber of Wilsall and Mrs. Myrtle Spaberg of Lake County, on the basis that none of them conformed to the law requiring request to be made before June 30, 1950. Motion passed.

Teresa O'Donnell, a Butte teacher, who, according to one "official record", gives her date of birth as Sept. 26, 1880, now presents another "official record" showing her date of birth to be Sept. 26, 1881, has appealed to the Board for them to accept the 1881 date as being acceptable for retiring purposes. Further investigation developed that she had listed on her certification application the following dates--in 1904 she was 27 years of age; in 1912 she was 32 and in 1919 she was 36--all of which were sworn notarized statements. Mr. Savage moved that in view of the conflicting records presented the Board not attempt to decide what her correct age was and should so inform her and also relay the information on to the Butte School Board for their action. Mr. Gerber seconded the motion which received unanimous approval.

The Secretary reported to the Board that the employer's contribution was delinquent from the Warm Springs Hospital on behalf of Catherine Nutterville. The sum delinquent to the end of the current term is \$500. The employer has consistently denied us payment on the basis that all funds for retirement purposes are ear-marked for P.E.^U.S. As a result the Secretary has asked an opinion of the Attorney General if these funds might not be used to pay us.

It was moved by Mr. Gerber and seconded by Mr. Henry to authorize the purchase of a new 11-inch Underwood typewriter, cost \$157.50 less State discount and value of old 1940 machine turned in. Motion passed.

In the procedure question asked, which pertained to the case of a teacher whose account had been placed on a vested right basis and who later returned to teach in Montana, the question was--would such a return to the classroom re-activate her refund privilege, and it was felt that it was. However, no direct problem was presented so no direct action was taken.

It was moved by Mr. Gerber and seconded by Mr. Savage to confirm the authorization given by local members to exchange \$2,147,000.00 of U.S. Treasury 1967-72 Bonds to a like quantity of par value Series B, U.S. Treasury Bonds 1975-80, with the added purchase of \$150,000.00 1967-72 bonds to be similarly exchanged.

It was also stipulated that the premiums involved on the Bonds being exchanged should be continued on the same amortization schedule as the original Bonds. Motion unanimously passed.

Mr. Savage moved that the following Resolution be approved and Mr. Gerber seconded the motion, which was unanimously passed.

RESOLUTION 27

BE IT RESOLVED, that Robert W. Harper, Executive Secretary, is hereby authorized and empowered to sell and assign any and all United States securities of any description now or hereafter registered on the books of the Treasury Department and registered securities with respect to which the Treasury Department acts as the transfer agency in the name of TEACHERS' RETIREMENT SYSTEM of the STATE OF MONTANA or which may now or hereafter be assigned to it.

AND IT IS FURTHER RESOLVED, that any and all assignments of any such securities registered in the name of, or assigned to, THE TEACHERS' RETIREMENT SYSTEM heretofore or hereafter made by the above-named officers, are hereby ratified and confirmed.

Mr. Savage moved that the Secretary be authorized to invest \$200,000.00 in 1967-72 Bonds as money is available. Mr. Henry seconded the motion which was approved.

Motion was made by Mr. Savage and seconded by Mr. Gerber to approve the following interim retirement. Motion unanimously approved.

William R. Pope,	disability	Dillon, Mont.
Catherine McNabb,	retirement	Madison Co.
Lenora K. Munson,	retirement	Madison Co.
Mrs. Carrie Sink,	retirement	Phillips Co.
Margaret Sullivan	retirement	Silver Bow Co.
Florence McIntosh	retirement	Carbon Co.
Flossie Temple	retirement	Lake Co.
Dr. Vande Bogart	retirement	N. Mont. College
Winifred Schmidt	retirement	Custer

All of the above began with January 1951 payment.

Judith Dixon	retirement	Cascade
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To begin with March 1951 payment.

There were no other Retirement applications.

The Board agreed on June 2nd, 10 A.M. as the date and hour of the next meeting.

Upon a motion duly made, seconded and passed, the meeting adjourned.

Thayer M. Condon
Chairman

Robert W. Harper
Secretary

RESOLUTION NO. 27

BE IT RESOLVED THAT, Robert W. Harper, Executive Secretary, is hereby authorized and empowered to sell and assign any and all United States securities of any description now or hereafter registered on the books of the Treasury Department and registered securities with respect to which the Treasury Department acts as the transfer agency in the name of TEACHERS' RETIREMENT SYSTEM of the STATE OF MONTANA or which may now or hereafter be assigned to it.

AND IT IS FURTHER RESOLVED, That any and all assignments of any such securities registered in the name of, or assigned to THE TEACHERS' RETIREMENT SYSTEM heretofore or hereafter made by the above-named officers, are hereby ratified and confirmed.

Signed

Mary M. Condon
Raymond A. Gerber
John L. Savage
John C. Henry
Anna H. Olsen

Dec. 2, 1950
EXECUTIVE SECRETARY' REPORT

The fall work has proceeded better than ever before, due probably to an adequate and experienced staff. Posting operations are well ahead of previous years.

The field trip across the northern tier of counties revealed more interest in the Retirement System than previously shown and also a disappointing fact, pertaining to the prior service rule in the 1949 amendments. There was almost invariably one or more person in each school who did not take advantage of the clause re-opening credit for prior service. Reasons given--didn't know about it or didn't pay any attention to notices because they didn't realize how much it meant to them. Most of them fell in the latter category. We have had only a few letters from other places who requested prior service too late.

Prior to my attendance at the Executive Committee meeting of the National Council of Teachers Retirement in Washington I had cherished two hopes in objectives for that meeting, one was to get more attention paid to Secretaries' problems by extending the usual day and a half meeting to two full days and including a half day work shop meeting; second, I had hoped to get the meeting away from Atlantic City and the large National Administrator's meeting to at least every other year in a city more centrally located, and where it would be cheaper than Atlantic City.

I was only 50% successful. On the first problem I did get what I had hoped for--even more--put in as moderator of the session. On the latter I was unsuccessful. The group simply won't change the present set-up, although we will go to another location in 1952, yet to be decided.

The meeting is to be in Atlantic City in February 19th, 20th, 1951, and I hope to have your permission to attend. Whether or not we try for any legislation and how we are fixed on the legislation--if there by any--will be determining factors too.

The Board of Examiners have notified us that our rent in the new quarters is to be \$35.00 per month.

An effort is being made to direct attention to deficient state appropriations for the employers contribution so that supplemental appropriations can be requested to complete this biennial and larger ones made to properly cover the needs for the next two years.

If you'd be interested in the type of questions I get in field a fairly representative group is herewith displayed.

EXECUTIVE SECRETARY'S REPORT

April 14, 1951

At our last meeting there was a discussion pertaining to the economic status of those persons on our retirement payroll who received less than \$75.00 per month. A study was authorized through the facilities of an outside Agency. In this case we used the Retail Credit Company. The investigation was to use a direct approach and not tell who was making the inquiry if possible--some did. The following inquiries were made:

1. Is the subject gainfully employed?
2. What is approximate annual income?
3. Are there any incomes from investments or annuities?

If the subject was married and living with spouse, the same questions were asked of the spouse. Also, is there any public welfare assistance or private charitable assistance, and the operator was to classify the standard of living of the subject as above average, below average and average, and poor. There proved to be 380 subjects. In classifying the results I graded them as "E", representing the group who had more than ample added income and lived very well; "S", representing the group who lived well with income seemingly sufficient to take care of their needs; "US" meant those whose income was less than sufficient to take care of their needs but by living with relatives were able to get by and whose living conditions were not good; "P", representing those cases on relief and who were in a bad condition financially and lived in very poor surroundings. The result bore out the thought we had hoped would prove to be the case--that most would have enough extra income to live comfortably.

Of the 380 cases there were only 16 on which no reports were obtainable, because of living on rural routes or were in an institution for the insane or wasn't talking. Of the remaining 364, 150 were "E", 168 were "S", 39 were "US" and only 7 were "P". We assumed that for considering legislative relief the categories "E" and "S" could be assumed as not needing any, of which there were 318 or 83.6%. The groups "US" and "P" could be considered as needing help and totalled 46 or 12.1%. This trend was indicated in the posted report made to you in January.

Compulsory retirement notices were sent to 13 teachers for the end of this school year, 7 of them are eligible for benefits and 6 of them for refunds only. There has been no indication that any abnormally large number will request Retirement benefits.

During the winter months a survey was made of inactive accounts with more than 10 years of Montana service. Notices were sent to 38 people in advance of the application of the compulsory Vested Right; of this group 1 returned to the classroom and 7 applied for a refund. The balance were put on a Vested Right basis, except a few who are talking about a sick leave, referred to later in this meeting.

Our work on setting up new history cards for each account of more than seven years is progressing nicely and is about 75% complete. All normal operations are in good shape and up to date. In January we solicited deposits for delinquent accounts; these have been brought up to date, with only five exceptions and these are being worked again.

Beginning March 6th and continuing for 7 days in the next 3 weeks time I interviewed and made estimates for 131 Great Falls teachers. They seemed quite pleased with the service and the results. On March 15th, at the invitation of

the Missoula County M.E.A. I attended and talked at one of their rural teacher meetings. I now have plans to work in Missoula on personal interviews for 3 or 4 days, beginning April 23rd.

The Supreme Court has not issued an opinion in regard to the Madison County High School District Case.

We had quite a few teachers reply to the notice put in with the January check that they were pleased with our action of not giving out names of retired people. Miss Condon had one that presented a different viewpoint.

I think the Board should know that after an 18 month struggle we were finally able to issue a Retirement check to Miss Winifred Schmid, a former Miles City teacher. It took her that long to complete her prior service record (most of which we had already gotten for her) and sign an application form. Her monthly check is \$106.25.

We recently sent form letters to those not teaching this year and with less than 10 years of service. This causes quite a few refunds which reduces our membership total, and it also gets the money into the hands of those to whom it belongs.

A sample of the program of the Atlantic City meeting is available and a very brief comment on the same of the talks has been prepared by myself. The only reason I do this is to display as far as possible the thinking of other groups in the nation on Retirement matters and thereby point up our progress or status in this national field and what we might contemplate for the future.

BOARD MEETING
June 2, 1951

Meeting was called to order at 10:30 A.M. by Miss Mary Condon, chairman. In attendance were Mr. Henry, Mr. Gerber and Mr. Savage, the Secretary and the Actuary.

The Secretary read the minutes of the April 14, 1951 meeting. Mr. Savage moved that they be approved as read. Mr. Gerber seconded the motion which was approved.

The Secretary read his report which was accepted and ordered filed on a motion by Mr. Gerber and seconded by Mr. Savage. Motion approved.

Mr. Savage moved that the following payrolls be approved for the months of July, August and September, subject to such additions as may be authorized at this meeting.

Pension--approximately \$37,000.00 per month

Office--approximately \$1610.00 per month

Mr. Henry seconded the motion which was unanimously approved.

Under Old Business, the letter from Attorney General Olsen was read pertaining to the Employers contribution on behalf of Miss Nutterville, from the Mental Hygiene Department. Mr. Olsen suggested we present to the Legislature a claim in 1953.

New Business was then considered. The local Investment Committee having approved a purchase of \$41,000 Fergus County School Dist. #84 bonds and \$19,00 Fergus County District #84 High School Bonds, Mr. Gerber moved that the Board confirm the purchase. Mr. Savage seconded the motion which was approved.

Mr. Savage moved that the Board also confirm the purchase of \$120,871.31 (total price) on a group of F.H.A. Mortgage Loans from the Union Bank & Trust Co., Mr. Henry seconded the motion which was approved.

Mr. Gerber moved that the Board approve the F.H.A. Servicing Agreement offered by the Great Falls National Bank which, it was explained, was word for word exactly like the agreements previous approved by the Attorney General. It was to be noted that the terms were 100 $\frac{3}{4}$ and $\frac{3}{4}\%$ on servicing. Mr. Henry seconded the motion which was approved.

The Board considered the two lists of F.H.A. Mortgages offered for purchase by the two institutions. They totalled at a par value as follows:

Great Falls National Bank	\$100,002.86
Union Bank & Trust Co.	108,160.57
Union Bank & Trust Co.	37,443.75

It was moved by Mr. Gerber to approve the purchase of these mortgages, contingent upon the availability of funds during the next few weeks. Mr. Savage seconded the motion which was approved.

Mr. Savage moved that the Expense Budget estimate, totalling \$28,250.00 for the operation of the office for 1951-52 be approved. Mr. Gerber seconded the motion which was approved.

Mr. Savage brought up the subject of more individual contacts being made by mail with the teachers. It was generally agreed that there should be a letter sent giving general information on the Retirement System to each teacher and that every effort be made to show how the State Teachers Retirement System was doing a better job than National Social Security. The cost of such a letter to be added to the budget.

Upon a motion made by Mr. Gerber and a second by Mr. Savage the following salary

increases were approved with the further statement that these salaries were now commensurate with the duties of the office and, considering the experience of the present personnel, any further adjustments should be made only on a cost of living basis.

Mr. McKinney, accountant,	\$3600.00	to	\$4000.00	
Miss McKenna, posting clerk	2520.00	to	2700.00	
Miss Ann Riis, payroll clerk	2220.00	to	2400.00	resigned 6/30/51
Mr. Young, actuary	1800.00	to	2400.00	
Mr. Harper, executive sec.	5500.00	to	6000.00	

The motion was unanimously approved.

Mr. Savage moved that Mr. Harper be permitted to attend the Executive Committee meeting of the National Council on Teachers Retirement in Washington D.C. in September. The motion was seconded by Mr. Henry and unanimously approved.

Mr. Henry moved that permission be granted to purchase 2 new steel typewriter desks to replace 2 wooden desks, the approximate cost to be \$185.00 each, less 15% discount and the value of the old desks.

Mr. Gerber moved that the following disability applications be approved and given to the Actuary for calculation of the benefit, to begin as of the 1st of July.

Mrs. Ruth Crumpacker, Richland Co.

P. M. Scott, Phillips Co.

Louise Warnke, Missoula, Co.

Mr. Savage seconded the motion which was unanimously approved.

Mr. Gerber moved that the following pension applications be approved for payment upon completion of their records and applications and given to the Actuary for calculation of the benefit as of the 1st of July. Mr. Savage seconded the motion which was unanimously approved.

Ida M. Aikens, Toole Co.
 Jean Buckmaster, Cascade
 Lewis F. Beeler, Yellowstone
 F. A. Brim, Madison Co.
 Helen Calver, Cascade Co.
 Sadie Clemons, Blaine
 W. R. Davis, Jefferson
 David DeLap, Gallatin
 Rudah Enger, Flathead
 Howard Elliott, Choteau
 Florence Ennis, Choteau
 Lester Ennis, Missoula
 Marie Erdahl, Lewis & Clark
 Fern Fallon, Dawson
 Christine Finkbeimer, Teton
 Flora Fontaine, Granite
 Mary Hatfield, Lincoln
 Lucille Hennigar, Dawson
 Harry Johnson, Hill
 Emma Johnson, Richland

Jeanie Kirkeide, Blaine
 Carlotta Koch, Dawson
 Nina Johnson, Musselshell
 Nona McMahon Lavold, Sweet Grass
 Rachel Lince, Chouteau
 Alice McQuillin, Lewis & Clark
 Mary MacDonald, Yellowstone
 Phyllis Mae Morrison, Garfield
 Amanda Speers Monroe, Toole
 Gesine Musgrove, Meagher
 Blanche O'Hara, State Dept.
 Charlotte Russel, State Univ.
 Minnie Safford, Hill
 Arrabelle G. Shepard, fallon
 Rachel Shannon, Missoula
 Marialys Sheldon, Carter
 Barbara Steingruber, Musselshell
 Ruth Somerville, Park
 R. H. Wollin, Flathead
 Olive Waddell, Ravalli

The Board set Oct. 6, 1951 as the date of the next meeting, the hour to be set at a later date as conditions appear at that time. Meeting adjourned.

Mary M. Condon
 Chairman

Edw. W. Harper
 Secretary

EXECUTIVE SECRETARY'S REPORT

June 2, 1951

All office routine work is up to date and going smoothly. I'd like to say that we have had the smoothest working organization we've ever had. No changes are expected, except Miss Bakke who plans now to go into Nurses Training this fall.

I went to Missoula as planned for interviews and estimates. There had been 38 requests filed but I completed 81 estimates before leaving.

In considering the investment problems presented later in the meeting you will no doubt wish to know how much money will be available. The estimate balance at the Union Bank on June 1st is \$61,000.00 and at the First National Bank \$45,000.00, total \$106,000/ add to this \$140,00 going out for cash the next few days equals \$246,000.00. We'll take in about \$100,000 more the last 15 days, so total income plus balance will be about \$346,000 up to July 1st., less June needs at about \$92,000 or \$254,000.00.

We are committed to \$61,000.00 of the available \$300,000.00 in investments offered. My suggestion is that we invest about \$100,000.00 in June and hold the others for July, pending the cash situation.

RESOLUTION NO. 28

BE IT RESOLVED THAT, The First National Bank And Trust Company And The Union Bank And Trust Company of Helena, Montana as designated depositaries of the Teachers Retirement System and they are hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this State Department's name, including those payable to the individual order of any person or persons whose name or names appear thereon as a signer or signers thereof, when bearing or purporting to bear the facsimile signature(s) of any two of the following:

Mary M. Condon
Mary Condon

Arnold A. Olsen
Arnold Olsen

John E. Henry
John E. Henry

John L. Savage
John L. Savage

Raymond A. Gerber
Raymond A. Gerber

and the First National Bank And Trust Company and the Union Bank And Trust Company of Helena shall be entitled to honor and to charge this State Department for such checks, drafts or other orders, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facimile specimens duly certified to or filed with the First National Bank And Trust Company and the Union Bank & Trust Company of Helena, Montana by the Secretary or other officer of The Teachers Retirement System.

Signed Mary M. Condon

Arnold A. Olsen

John L. Savage

John E. Henry

Raymond A. Gerber

RETIREMENT BOARD MEETING

Oct. 6, 1951

Meeting called to order by Chairman Mary Condon at 1:50 P.M. In attendance besides the chairman were John Savage and Raymond Gerber, thus making a quorum. Absent were John Henry and Arnold Olsen. Also in attendance were the Actuary, Mr. Young, and the Secretary.

Minutes of the June 6th meeting were read. Mr. Savage moved that the minutes be approved with the understanding that the instructions as to future increases in salaries only to be effective in the salaries of the Executive Secretary and the Actuary. Mr. Gerber seconded the motion which was unanimously approved.

The executive Secretary read his report which was approved on a motion made by Mr. Gerber and a second by Mr. Savage. Mr. Gerber moved that the October, November and December payrolls of 1951 be approved in the following approximate amounts:

Retirement per month -----\$40,500.00

Office per month ----- 1,750.00

Mr. Savage seconded the motion which was approved.

Mr. Gerber moved to confirm the June purchase of a \$6222.89 F.H.A. Mortgage from Bennett Agency in Bozeman. Mr. Savage seconded the motion which was approved.

Mr. Gerber moved to authorize the purchase, as funds allow, of approximately \$210,211.53 F.H.A. & Vets Mortgages from the Union Bank & Trust Co. of Helena and \$130,000 from the Great Falls National Bank, and \$65,000 in Garfield Hospital Bonds. Mr. Savage seconded the motion which was approved.

Mr. Savage moved to approve the sale of \$100,000 par value 1967-72 Federal Bonds at the market price during August. Such sale having been necessitated by an unexpected amount of withdrawals and lower summer income. Mr. Gerber seconded the motion which was approved.

The Board's attention was drawn to a request from the First National Bank for a need of a Resolution to cover the use of facimile signatures on our checks. Mr. Gerber moved that the following resolution be approved:

Resolved:

That the First National Bank & Trust Company and the Union Bank & Trust company of Helena, Montana as designated depositaries of the Teachers Retirement System and they are hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this State Department's name, including those payable to the individual order of any person or persons whose name or names appear thereon as a signer or signers thereof, when bearing or purporting to bear the facsimile signature(s) of any two of the following:

Mary Condon

Arnold Olsen

John E. Henry

John L. Savage

Raymond A. Gerber

and the First National Bank & Trust Company and the Union Bank & Trust

Company of Helena shall be entitled to honor and to charge this State Department for such checks, drafts or other orders, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facsimile specimens duly certified to or filed with the First National Bank & Trust Company and Union Bank & Trust Company of Helena, Montana by the Secretary or other officer of The Teachers Retirement System.

Mr. Savage seconded the motion which received unanimous approval.

Mr. Gerber moved that action on the Examiner's request be deferred until next meeting, pending further information. Mr. Savage seconded the motion which was approved. *regarding transfer almost acts*

Mr. Savage moved that Mr. Harper attend the National Council on Teacher Retirement meeting in St. Louis February 25 and 25th. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved that the following interim retirement should be approved, to be started as indicated and computed by the Actuary:

Susie Huston, Aug. 1st	E. F. Rothrock, Aug. 1st
Blanche O'Hara, Sept. 1st	Marcia Crum, Aug. 1st
Jessie Sanderson, Aug. 1st	Elizabeth Ireland, Sept. 1st

Mr. Savage seconded the motion which was approved.

There were no disability applications.

Mr. Savage moved to approve the following applications and place them on the Retirement rolls as indicated when their applications are complete and the Actuary has calculated the benefit:

Florence Gray, Dec. 1st	Byron Gaither, November 1st.
Agnes MacDonald, Oct. 1st	Blanche Kruger, October 1st
Fred Homan, Oct. 1st	

The motion was seconded by Mr. Gerber and approved.

A general discussion on policy matters ensued and the Board adjourned at 3:50 P.M., to meet next at 10 A.M., January 12, 1952.

Mary M. Condon

Chairman

Robert A. Harper

Secretary

EXECUTIVE SECRETARY'S REPORT

Oct. 6, 1951

At the last meeting of the Board I was instructed to pursue a policy of closer contact with the teachers and making more information available as a means to counter any possible desire by teachers to become a part of the Federal Social Security plan. I have made plans to take the following steps to accomplish your wish and would welcome suggestions.

The usual first contact letter to new teachers will go out, but later in the year we will send out an informative letter to all members.

The District Chairmen of all M.E.A. October Conventions have been contacted and we have asked for permission to have a table and chair at a centrally located spot and I will cover two conventions, Bozeman and Missoula, while Mr. McKinny will cover Miles City and Glasgow. This will leave Great Falls without coverage and we are hoping Mr. Savage can help at that point and also at the Teachers Union meeting. It is planned to have booklets and a report ready for distribution and then I wonder what you would think of distributing a questionnaire as to the possibility of future legislation. These could be brought back or mailed in to see what teachers' reactions are. I plan during the fall and winter months to do personal interview work in Polson, Kalispell, Hamilton, Anaconda and maybe Bozeman.

The meeting in Washington laid plans for the Annual meeting of the National Council on Teachers Retirement to be held in St. Louis February 25 and 26th. We also talked on Social Security problems and means of avoiding complications in this field. The plans for the meeting, if completed as planned, would indicate an interesting meeting. What are your wishes in regard to attendance? Reference is made to this in the agenda.

In the retirements as of July 1, 1951 there were 41, including 3 disabilities. Total monthly checks added \$3,554.90 to the payroll. Average \$86.70, quite a bit less than a year ago. It is also interesting to note that 10 retired teachers returned to the classroom this September and were removed from the Retired rolls.

The Supreme Court ruled against High School District, as you know. This served to cancel our expected purchase of S.D. 84 Fergus Bonds and also validated issues held, but muddled up the future investment picture.

You should be informed that the interest payments on Bonds held for S.D. 159 of Petroleum County are delinquent, due to failure of the Business Manager of the County to budget for it last year. The overdue amount and the current amount are, however, included in the 1951-52 budget and will be taken care of.

Mr. Brewer, formerly of the State College staff, sends an interesting letter in regard to the Retired Teachers Association, now a department of the N.E.A. You will observe we tried to explain to Mr. Brewer that giving a list of retired persons was against our rules. I learned in Washington that all those present had had the same request made of them and they also refused to give out the list of retired persons.

Miss Condon has been advised that she and I are to attend a meeting with the committee on Re-organization of State Government. Actually this is a special Committee composed of Mr. George Redhair, Mr. A.M. Johnson and Mr. Harry Donaldson of Butte. The meeting is scheduled at 10:30 A.M., Wednesday, October 10th. I'm glad to report that the group has had a preliminary meeting with Mr. Young and he

may wish to make some comment on the subject.

All our efforts to get some unexpended money in the Warm Springs budget for 1950-51 ended up as a failure. Its been recommended by Mr. Olsen that we wait and put in a claim for all back dues in the 1953 Legislature.

In the Bank Examiners report Mr. Kahala took issue on our policy established in 1948 of transferring accounts not active for 5 or more years. In talking this over with Mr. Kahala he said he didn't like the procedure but also said that if Mr. Olsen thought it was alright he would say no more.

Routine work has progressed very satisfactorily during the summer months. We lost two employees, Ann Riis and Donna Bakke, but after some difficulty we found two very capable women, Mrs. Elsie Wilcox and Mrs. Ruth McCoskery, to take the positions of payroll clerk and record clerk at the starting salary of \$160 and going to \$200 per month. I trust this meets with your approval. All tasks of the office are up to date and progressing satisfactorily.

As a final note. There is one principal piece of legislature, and possibly others, that might be attempted in 1953. If you feel that such an attempt should be made now is the time to begin thoughts in that direction. Some indication of your wishes on the matter would be appreciated.

EXECUTIVE'S SECRETARY'S REPORT

Jan. 12, 1952

Posting operations are lagging somewhat because of change in help last fall. It took longer to get the account sheets re-arranged for posting operations than it should have. Other operations in the office are running along smoothly and on time. The December check was mailed early with a Christmas greeting, as done in the past. A sample is on the table.

After Miss Condon, Mr. Young and I met with the Task force for the Re-organization Committee we received a request for three items--(1) a copy of each printed form with description of its use, (2) a personnel report, giving name, duties, salary and length of service. They also wanted a statement of time spent on each duty but this was quite impossible since no time study has ever been made and each one's duties are so varied it seemed rather useless. (3) A statement of machine equipment, its use and percentage of time each is in use, plus statement of cost. This information was supplied a few days later. Mr. Young may possibly have some comment to make as to results; no official work has been forthcoming from the committee.

During the early part of November I spent a week in the Polson, Kalispell and Whitefish schools making estimates for individual teachers. There were a total of 100 teachers interviewed. It is my present plan to work with the Bozeman teachers during the week beginning January 21st.

A letter received from Dr. Frank Hubbard, Research Director for the N.E.A. requested that I attend the Executive Committee meeting of the Retirement Group in Washington Jan. 18th. This would conflict with previous commitments and the cost high so upon consulting with Miss Condon it was decided to not attend. Apparently something must be hatching in the realm of Social Security that needs watching. We have asked to be informed as soon as possible.

A recent study of our operations for the past year gives us some interesting facts. There were 89 retirements during the year, 83 of these were on basis of age and 6 were disability claims. making a total on June 30th of 508 retirements for age and 56 for disability. Of the former group 250 had 35 or more years of service and get an average of \$54.57. There were 49 who had less than 25 years of service and get an average of \$40.07. The average age at retirement was 65, and the average payment for all is \$64.40.

In the disability cases 28 had 25 or more years of service, getting an average of \$57.99; 22 had 16 to 24 years of service and receive an average of \$39.96; six cases had less than 15 years of service with an average benefit of \$41.69. Average age on application for disability was 53 and the average benefit \$49.94.

In the investment field we find that 72.2% of our funds are in U.S. Government issues, 13.5% in school district and other County or Municipal bonds, 2.9% in State of Montana and 11.4% in Vets Housing & F.H.A. Mortgages.

The reports sent out last fall thru the M.E.A. & Teachers Union meeting and later to the University units seem to have been well received but the replies to the Questionnaires were very disappointing. Of course one could also interpret that the absence of replies indicated satisfaction. Since writing there have been 21 more replies from the University faculty and none from public school teachers. The additions made a total of 28 interested in Survivors' benefits, 9 wanted removal of salary ceiling, 4 wanted more information, 2 wanted sickness benefits and 16 were satisfied and had no suggestions. An opportunity to discuss these matters is noted on the agenda as the next to the last item of business.

RETIREMENT BOARD MEETING
Jan. 12, 1952

The meeting was called to order and since Miss Condon had called and said she would be delayed a motion was made by Mr. Savage and seconded by Mr. Henry that Mr. Gerber act as chairman until Miss Condon arrived, motion approved. The meeting was officially called to order with Mr. Gerber, Mr. Savage, and Mr. Henry, a quorum, attending. Also the Actuary and the Secretary.

The minutes of the Oct. 6, 1951 meeting were read and approved on a motion of Mr. Savage and a second of Mr. Henry. The Executive Secretary read his report which was approved and ordered filed, in a motion of Mr. Savage and a second of Mr. Gerber. Miss Condon having arrived during the reading of the report.

Mr. Gerber moved the approval of the payrolls for January, February and March of 1952 in the following approximate amounts:

Pension	\$40,600.00
Office	1,780.00

Mr. Savage seconded the motion which was approved.

The Attorney General's letter regarding the transfer of savings accounts not active for 5 years to the P.A.F. was read. In view of the thoughts expressed Mr. Gerber moved that the accounts previously transferred into the P.A.F. fund be re-transferred to the Dormant account File of the A.S.F. in total and so kept in accordance with the Attorney General's recommendation. Mr. Savage seconded the motion which was approved.

It was moved by Mr. Savage that the System purchase \$100,000.00 in Series G, U.S. Bonds as soon as money available. Mr. Gerber seconded the motion which was approved.

Mr. Savage moved that the System accept the F.H.A. & Vet's Mortgage loans as offered by the Union Bank & Trust Co. in amount of approximately \$229,000.00 and Bennett Bros. in amount of \$27,400.00. Mr. Henry seconded the motion which received unanimous approval.

It was moved by Mr. Gerber and seconded by Mr. Savage that the local investment committee be empowered to approve or reject single mortgages that are offered by the Union Bank & Trust Co. to replace those being paid off. Such transactions to be brought into the agenda of the next regular meeting. Motion approved.

The Board declined the purchase of the F.H.A. loan offered by the Western Insurance Mortgage Co. of Billings. No formal agreement existing between such firm and the Retirement System and available funds being well covered.

Mr. Gerber moved that the interest rate to be allowed on the Teachers Savings accounts for the year July 1, 1951 to June 30, 1952 be $2\frac{1}{2}\%$ per annum. Mr. Savage seconded the motion which received unanimous approval.

It was moved by Mr. Gerber and seconded by Mr. Savage to approve the disability application of Laura De Witt. Motion approved.

It was moved by Mr. Savage to approve the interim Retirement payment to begin as indicated:

Eugene Powell	Nov. 1951
Myra Harris	Oct. 1951
Hermine Roberts	Dec. 1951

The motion was seconded by Mr. Gerber and approved.

Mr. Savage moved that the Retirement applications of Howard Welch, Sadie Clemons be approved for January payment. Mr. Gerber seconded the motion which was approved.

In all cases the application to be given to the Actuary for calculation.

Upon consideration of the Oscar Dingman application it was moved by Mr. Gerber that a payment of the death benefit be made to his widow upon receipt of her application for such refund. Motion was seconded by Mr. Savage and approved by unanimous vote.

A general discussion of policy and legislative matters ensued but no action was deemed necessary.

The Board set the next meeting as 10 A.M., March 22, 1952.

The meeting adjourned upon proper motion and approval.

Mary M. Condon

Chairman

Robert G. Harper

Secretary

RETIREMENT BOARD MEETING

March 29, 1952

In attendance were the Chairman, Miss Condon, and Board members, Messrs Gerber and Savage, also Actuary Young and Secretary Harper. Meeting was called to order at 1:50 P.M. The minutes of the January 12th meeting were read and approved as read. The Secretary read his report which was approved and ordered filed. The financial statements for February 29th were given each member.

Mr. Gerber moved the approval of the following payrolls for the months of April, May and June and Mr. Savage seconded the motion which was approved.

Pension payroll approximately \$40,600.00 per month
Office Payroll approximately 1,780.00 per month.

Mr. Wallace Streiter of Billings appeared to represent Streiter Brothers Realty Company in Billings for the purpose of selling some F.H.A. and G.I. mortgages. After Mr. Streiter's departure it was moved by Mr. Savage and seconded by Mr. Gerber that the Retirement System enter into an agreement with Streiter Brothers for the purchase of such Real Estate Mortgages with the provision of purchase at par and $\frac{1}{2}\%$ servicing charge. Mr. Gerber seconded the motion which was approved.

Mr. Gerber explained that Mr. Graff who had been expected to appear before the Board to discuss survivor's benefits was unable to attend this meeting. Mr. Gerber explained Mr. Graff's wishes and the Board members discussed other possible legislation and decided to go into the matter in more detail at the next meeting. The Secretary and the Actuary were instructed to prepare material along such lines as Survivor's benefits, retirement at completion of 35 years, membership for High School Athletic Association Board of Control, M.E.A. Staff, remove salary ceiling, transfer of membership from T.R.S. to P.E.R.S. or visi-versi and other problems. This material to be presented at the next meeting for further study.

The application for a refund from Mrs. Nabel Moran, nurse in Great Falls schools, was approved on a motion of Mr. Gerber and seconded by Mr. Savage. A short discussion on nurse membership ensued but no action other than the above was taken.

It was moved by Mr. Gerber and seconded by Mr. Savage that the Secretary begin arrangements for a F.H.A. purchase agreement to be made with Daly National Bank of Anaconda so that future purchase of F.H.A. Mortgages may be made. Motion passed.

It was moved by Mr. Gerber and seconded by Mr. Savage to authorize the resident investment committee to select for purchase \$100,000 of F.H.A. Mortgages from the Streiter Brothers of Billings when the agreement has been signed by both parties. Seconded by Savage and passed.

It was unanimously agreed to inform the Union Bank & Trust Co. that if the service charge is reduced to $\frac{1}{2}\%$ on future purchases the System will purchase \$100,000 in offerings between now and July 1st.

The Attorney General's ruling as to the continuance in office of a County Superintendent of Schools beyond age 70 was noted. The Board made the added comment that any records of service or salary beyond age 70 would be invalid and that any Retirement benefit due would be held in abeyance until actual retirement from employment took place.

It was moved and seconded to confirm the purchase of \$6000 worth of

S.D. #10 Blaine County Bonds at a yield of 2.6%. Motion approved.

The matter of purchasing Errors and Omissions Insurance for protection in our holdings of F.H.A. and G.I. Insured Housing Mortgages was explained by Mr. Young. It was felt that a policy on \$200,000 would be ample at this time so Mr. Gerber moved that Mr. Young and Mr. Harper be authorized to make the best arrangements possible to purchase this protection. Motion was seconded by Mr. Savage and approved.

Miss Condon read correspondence pertaining to a request for membership service credit for Mrs. Clara Grothe as a teacher in the Cascade County Juvenile Home for the two years 1942-44. Mr. Gerber moved that such credit be granted if she made the requisite 5% of salary deposits since this is an accredited school. Mr. Savage seconded the motion which was approved.

Mr. Savage moved the approval of the interim retirement of the following persons. Motion was seconded by Mr. Gerber and approved.

J. H. Crowe or Bertha Crowe, Kalispell, Mont. on joint survivorship basis at \$80.03 per month beginning Jan. 1952.

Martha Beamer, Phillipsburg, Mont. at \$104.16 per month to begin with February 1952.

Mr. Savage moved to approve the pension application of Hannah Lockhart when application is filed and records complete. Mr. Gerber seconded the motion which was approved.

The Board set the date for the next meeting as June 14th at 10 A.M. unless other arrangements are agreed to beforehand.

Mary M. Condon

Chairman

Robert H. Harper

Secretary

EXECUTIVE SECRETARY REPORT

Attached is a final analysis of replies to the questionnaire sent out last fall to the University and public school teachers.

The February issue of the M.E.A. Journal carried an article which I prepared. I hope it met with your approval and that you all got a chance to read it.

Miss Theo Smith called and asked assistance in preparing her report to the M.E.A. delegate assembly. I gave her a copy of last fall's report on finances, copied the report on questionnaire replies that applied to the public school teacher only, and made reference to the National picture inviting them to take action against expansion of Federal Social Security in Montana to include teachers. The report was accepted. I asked if that action could be construed to mean that the Montana Delegate Assembly was voicing their disapproval of Federal Social Security for teachers; I was informed that the action taken could be so construed.

Notices have been sent to 16 persons and school districts of compulsory retirement because of age at the end of the present school year. Eleven of these will be retirement and the balance refunds.

We made a check on the names of those persons who have received two or more refunds. We found 49 persons on the list and almost always the refunds occur on successive years. These cases will be watched for future refunds with the thought of discouraging this practice.

As of March 15th the System holds \$1,172,275.70 in F.H.A. Mortgages. We have had several offers to purchase considerably more of this type of investment, as will be seen in the agenda of this meeting. In making an estimate of the needs of the System and the possible income between April 1st and July 15th, assuming a monthly income of about \$174,000.00 (same as for past 5 months and proper allowance for refunds and expenses plus a reserve of \$180,000 for the summer months) it would appear we can look forward to \$270,000.00 as available for investment between now and July 10th.

Much of the discussion at the National Council on Teachers Retirement meeting in St. Louis centered on activities of various states in the realm of Federal coverage or Social Security. On the table before you is a statement pertaining to various bills for such coverage of public employees. Attached is a copy of the Resolution passed by the group, opposing any changes of this nature in the Federal law. It was this Resolution that Miss Smith read at the Delegate Assembly and which they seemed to have been concurred in.

From a factual standpoint briefly the situation is as follows--- 32 states have passed enabling legislation, five others are in the process of doing so. South Dakota is the only state so far that has repealed their State Teachers Retirement law and gone whole hog for Federal Social Security. Wyoming is considering doing this but action has been delayed until a referendum has been taken. Virginia has intergrated with Federal Social Security and so has both. In Utah the P.E.R.S. has folded in favor of the O.A.I.S., not so the Teachers Retirement. This was an economy measure fostered by the government.

In Mississippi Legislation is planned for the Public Employee System to add O.A.I.S. to the State plan and the Secretary of the Tennessee Teachers System informed me that since they had all their prior service funded they planned on adding O.A.I.S. to their coverage.

Since many states have never covered the College and University teachers in their state laws there is a bill called the Rogers bill to put this group under the Federal plan.

It is not likely that any action will be taken in Congress on this matter until after election but the National Council did feel that they should be in a position to recommend passage of legislation which would continue to give proper protection to members of existing Systems.

I was elected Vice-Chairman of the National Council at the St. Louis meeting. I hope this meets with your approval since it also means I'd be expected to attend the Executive Committee meetings in Washington.

Between January 21st and 25th I worked with the Bozeman teachers on personal interviews, making estimates. I completed 68 interviews while there.

Next month I'll be working in Dillon for College and public school staff members between April 7th and 11th and on April 12th I'm to talk to a group of rural teachers at Coffee Creek School house and then plan to do estimates for the School of Mines staff on April 21st and 22nd. I was also invited to speak to the Deer Lodge teachers on March 27th.

TEACHERS RETIREMENT BOARD MEETING
June 14, 1952

Chairman Mary Condon called the meeting to order at 10:20 A.M. In attendance were Board members Ray Gerber and Arnold Olsen, thus making a quorum. Actuary Young and Secretary Harper were also in attendance. The minutes of the March 29th meeting were read and approved on motion of Gerber and second of Olsen.

The Secretary read his report which was duly accepted and ordered filed.

Payrolls for the months of July, August and September wer approved as follows, on motion made by Gerber and second by Olsen.

Retirement-----approximately \$40,600 per month
Office---approximately \$1800 per month,
plus additions made at this meeting.

Mr. Young made a report on the legislative program that had been prepared by him and Mr. Harper in compliance with the wishes expressed at the last meeting of the Board. The following items were approved in general, on a motion made by Mr. Gerber and second by Mr. Olsen with the instructions that the actual wording of the suggested amendments could be prepared during the summer months for presentation to the Retirement Board for final action at the September meeting.

- (1) Increased rate of employer contribution to 4%. Or, try to amend the law so that the employers' rate of contribution can be set by the Retirement Board each year based on actuarial recommendations.
- (2) Prior Service. If teaching at the retirement age and the prospective Retirement allowance does not include credit for Montana teaching prior to September 1, 1937 the teacher may apply for and be granted credit for such Montana prior service if she is otherwise eligible for a Retirement benefit and if she supplies the proper certification for such teaching.
- (3) Correction in present vested right which now states after 6 months and should read after one year, of absence from the classroom.
- (4) Disability. In cases of persons whose disability has made them incapable of proof of disability at the time of disability the payments to which the teacher is entitled may be dated back to the date of disability after furnishing satisfactory proof.
- (5) Disability. Disability annuitant retired because of disability under age 60 not receiving total accumulated savings in monthly income prior to death, entitles the beneficiary to the difference.
- (6) Teacher retired on superannuation benefit dying before receiving three Retirement checks entitles beneficiary to refund of annuity savings fund, minus monthly payments received.
- (7) Provision for dormant accounts to be ascheated after 10 years.
- (8) Remove all salary ceilings.
- (9) Interchange of Retirement accounts between Teachers Retirement, Public Employee Retirement and Highway Patrol Retirement; each System to accept the transfer of member upon the deposit of the annuity savings fund for the total Retirement allowance accumulated as of the date of transfer.
- (10) Survivor benefits from date of death of member.
- (11) Remove 1941 limit of payment for the 2 years from 1937 to 1939 on

records of University members which are not now permitted, upon proper affidavit.

(12) Investments in accordance with the law governing investments with Domestic Life Insurance Companies.

The Secretary reported that the Errors and Omissions insurance had not been purchased due to a situation arising wherein it was deemed possible to pass the cost on to the various agencies. Mr. Young reported that the responsibility for Errors and Omissions could be incorporated in the original agreement signed with the sellers of insured mortgages. Mr. Gerber moved that the purchase of such insurance be deferred pending the completion of new agreements with the sellers. Mr. Olsen seconded the motion which was approved.

Mr. Gerber moved the approval of the Expense budget presented, totalling \$29,000 for 1952-53. Mr. Olsen seconded the motion which was approved.

Mr. Olsen moved that the salary of the Accountant be increased to \$4300 beginning July 1, 1952. Mr. Gerber seconded the motion which was approved.

Mr. Olsen moved that the following new equipment be purchased at the approximate costs as listed.

Burroughs Posting Machine \$3002.40

Second-hand Electric Check Signer \$75.00

A.B. Dick Mimeograph Machine, Model #435, Cabinet #22, \$583.00

Mr. Gerber seconded the motion which was approved.

Mr. Olsen moved to approve Secretary Harper's attendance at the fall meeting of the Executive Committee of the National Council on Teachers Retirement, and also his attendance at the meeting of Educational Secretaries in Zion National Park on July 27-29 at N.E.A. Expense. Mr. Gerber seconded the motion which was approved.

It was moved by Mr. Olsen to sign the agreement with the Daly National Bank of Anaconda with the provision included that they be responsible for Errors and Omissions and that we agree to purchase in the fall and winter months, as money is available, \$100,000 worth of F.H.A. & G. I. Mortgages. Mr. Gerger seconded the motion which was approved.

No action was taken on the request of the Western Insurance Co. of Billings.

Mr. Gerber authorized the immediate purchase of the \$62,076.95 in F.H.A. from the Union Bank & Trust Co., as offered and as money is available for such purchases. Mr. Olsen seconded the motion which was approved.

Mr. Olsen moved the signing of a purchase agreement with the Security Bank & Trust Co. of Billings and committing the System to the purchase of \$100,000 of loans during the fall and winter months as money is available at that time. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved to make commitments to the Union Bank & Trust Co. and the Great Falls national Bank for the purchase of \$100,000 from each institution of F.H.A. & G.I. mortgages during the fall and winter months of 1952-53 as money becomes available. Mr. Olsen seconded the motion which was approved.

Copies of the Re-organization report had been distributed and had been read. No action was necessary or taken. However, the members did express their

opinion that if any change was to be made in the membership of the Board that the State Superintendent of Public Instruction should be left on the Board and a continuance of the present manner of appointment might be more desirable. Further, that there was no wish for a change to legislate appropriation for expense purposes.

Mr. Olsen moved the approval for retirement as of May 1, 1952 of Myrtle Gerber Miller at the monthly rate as calculated by the Actuary. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved to approve the following list of retirement applications as of July 1st and the records turned over to the Actuary for calculation. Motion was approved.

Nellie V. Brown	Ernestine Nichols
Alma Belle Cox	Cora Paisley
Arden B. Cole	Johanna Pendergast
Edith Clare Cox	Mrs. Cecil Rathbun
Rozelle E. Crooks	Ertel G. Shotwell
Fern Tilly Fallon	Bert Shortt
H. B. Field	C. R. Schmidt
Ella Finkbeiner	Anna M. Schuster
Barbara Gilligan	Arthur M. Stoner
Bertha Henry	Myrtle Templeton
Grace Henderson	Echo Templeton
Belva Hill	Inez V. Thompson
Harry H. Johnson	Ellen Wilson
Mrs. Mabel Jones	Minnie McFarland
Jeannie B. Kirkeide	Stella Myers
Lida M. Martin	Clyde McKee
Lucretia Masterson	Grace Marshall
Frances McDaniel	Francis Parker
Terresa O'Donnell	Maybelle L. Jones
Homer Bradford	Retta Nelson

The date of the next meeting was set for September 13, 1952 at 10 A.M.
The meeting was adjourned upon proper motion and second.

*Ernestine Nichols
June 20, 1952*

Mary M. Condon
Chairman

Paul W. Harper
Secretary

TEACHERS RETIREMENT BOARD MEETING
Miles City, Montana
September 27, 1952

Chairman Mary Condon called the meeting to order at 2:00 p.m.. In attendance were Board members Ray Gerber and John Savage, thus making a quorum. Absent were Board members John E. Henry and Arnold Olsen. Secretary Harper was also in attendance. The minutes of the June 14 meeting were read and approved on motion of Gerber and second of Savage.

The Secretary's report was read and discussed with a motion for approval by Mr. Savage and a second by Mr. Gerber.

Payrolls were approved as follows, on a motion made by Mr. Gerber and a second by Mr. Savage.

Retirement - - - - - approximately \$43,800.00 per month plus
additions approved at this meeting for October, November,
and December 1952.

Office - - - - - - - - - - approximately \$1900 per month for Oct-
ober, November and December 1952.

The Board discussed the proposed legislation and suggested that Mr. Young be asked to write a statement citing the need for an increase in the employer contribution.

The Board confirmed the investment purchases of the summer months as follows--
The motion was made by Mr. Savage and seconded by Mr. Gerber.

\$45,000 Valley County School District #1.
40,000 Prairie County School District #5
82,531.03 FHA Mortgages, Union Bank & Trust Co.

Mr. Gerber moved and Mr. Savage seconded a motion to approve the following FHA investments. The motion was approved.

\$ 30,484.00 Bennett Bros., Bozemen, Montana FHA
100,000.00 Streeter Bros., Billings, Montana for winter delivery
67,000.00 Great Falls National Bank

The Bank Examiner's Report was presented and ordered filed.

Mr. Savage moved that the interest rate for the fiscal year 1952-53 be set at $2\frac{1}{2}$ per cent. Mr. Gerber seconded the motion which was approved.

A motion was made by Mr. Gerber and seconded by Mr. Savage to ask Mr. Olsen, the Attorney General, to rule in the request of the executor of the Mabel Geng estate. It appeared to be a legal question that needed his attention. The motion was approved.

Mr. Savage moved that the Secretary be instructed to prepare the biennial report in cooperation with the actuary in the usual mimeographed manner. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved that the Board approve the interim retirement applications of Ella Irwin and Gladys Johnson. Mr. Savage seconded the motion which was approved.

Mr. Savage moved that the following pension applications be approved for payment beginning as of September 30 and that the actuary be instructed to compute the benefits for same. Mr. Gerber seconded the motion which was approved.

W. P. Clark, State University
L. F. Gieseke, State College
Marian Janosov, Cascade County
Jessie Murphy, Lincoln County
Frances Parker, Fergus County
Eugene Perry, School of Mines
Minnie Peterson, Yellowstone County
Jesse Ragsdale, Yellowstone County
Bart Thomas, State University

The date of the next meeting was set for December 13, 1952 at 10 a.m..
The meeting was adjourned upon proper motion and second.

Mary B. Condon
Chairman

Robert W. Harper
Secretary

EXECUTIVE SECRETARY'S REPORT
Sept. 27, 1952

In August, Mrs. Bell, who had been our stenographer for ten years asked to be released from her work. We obtained the services of Mrs. John Morris on the same part time basis at \$120 per month to start with, \$130 after three months and \$140 after six months.

Miss Mary Shale, who was reported as a new employee at the last meeting, has not proved to be satisfactory but we haven't found a replacement, so have kept her on the payroll. We hope to be able to get another girl for the job within the next few months. We'll probably have to offer a starting pay of \$175 per month instead of \$160.

Work in the office has progressed satisfactorily during the summer months. We used two extra girls--one for one month and one for all three months. The latter was largely engaged in preparing punch cards for our bi-annual report, and doing other special chores done during summer months.

I attended the Meeting of the Secretaries of Eleven Western States Education Association, as planned and paid for by the NEA. I am glad to say that most of the group agreed that improvement of their state plans was a better approach to the national Social Security problem than trying to work out integration with OAS. There were, however, two who still wanted to have both plans. Mr. Moe reports the discussion we had as beneficial. I hope so.

Mr. Yelton, the legislative chairman of the NCTR has called a special meeting of the Executive Committee in Washington D. C. on October 27-28. I'm hoping that this and the regular meeting can be run together. In any event the NEA has agreed to pay my expenses if they aren't paid. It is planned to meet with other public employee groups, policemen and firemen, to agree on the wording of any change to permit integration, so as to protect members of good state retirement systems. The bill passed last June to amend Social Security did not alter the present status of those belonging to state retirement systems. It is the aim of the NCTR to make sure that teachers rights in state systems are adequately protected against the selfish desires of a few.

Of the three pieces of new equipment authorized, the check signer and the mimeograph machine have been delivered. The day before the check signer was delivered, the one we had broke down completely and we were half way through the payroll, so it came in the "nick" of time. The big posting machine probably won't be delivered until December at least.

On the Re-organization Report, I wrote Mr. Gillette that this Board felt that there were certain aspects of the report on which we felt compelled to make an adverse comment. First, legislative appropriations for the expense fund. Second, we felt that the State Supt. of Public Instruction should remain as a member and that the appointment of board members remain with the Board of Education.

A copy of the new legislation has been mailed to all members of the Retirement Committee of the MEA, to all presidents of the units of the University of Montana and Mr. Savage has the material for the Teachers' Union meeting in October. No derogatory comments have been received as

yet. In this connection, a copy of a letter being sent to the governor and education board members in North Dakota is interesting. Mr. Peterson of E.M.C. has offered a comment.

On the Errors and Omissions Insurance, all of our sources of FHA Mortgages have signed new agreements to cover the desired protection except Bennett Brothers, who are still talking about buying the insurance and including us in the coverage.

The Security Trust and Savings Bank never did conclude a Servicing Agreement and we haven't heard anything from them since June 24. We already have ample outlets for funds to be available.

Mr. McGuiness, at the Union Bank, reported in Aug. 30 that one of our FHA contracts was delinquent in Hamilton. On Sept. 19 he was able to report that the loan was again current.

In the past we have made efforts to collect the employer contribution for the State Hospital in Warm Springs. Always we had no success, because they had no funds earmarked for us. We wrote the hospital on Sept. 6, 1952 asking that a deficiency claim be presented for \$890.00 to cover missing payments since 1947. We suggested that future appropriations be made to a fund for "retirement" instead of specifying one fund.

It is planned to have Mr. McKinny available for questions at the Wolf Point and Great Falls fall conventions of the MEA, and I will be available for the Helena meeting. I'll have to leave Friday night in order to make it into Washington D. C. by Monday morning. We plan however, to prepare a report for distribution at the MEA meetings.

TEACHERS' RETIREMENT BOARD MEETING
Helena, Montana
December 13, 1952

In attendance at this meeting were--Mr. Gerber, Mr. Savage and Mr. Henry. Since the chairman could not attend, Mr. Savage moved that Mr. Gerber act as chairman for this meeting. The motion was seconded and approved. Mr. Gerber took the chairmanship. Actuary Young and Secretary Harper were also in attendance.

The monthly Financial Report and Biennial Report were distributed to each member.

The Secretary read his report. Mr. Henry moved that the Secretary's report be accepted. The motion was seconded by Mr. Savage.

Payrolls for the months of February, March and Jan. were approved as follows, on a motion by Mr. Savage and a second by Mr. Henry.

Office - - - - - \$ 1,900.00 per month
Pension - - - - - 43,800.00 per month,
plus additions of the late approvals at this meeting.

Mr. Olsen arrived at the meeting.

The Board discussed the twelve points of the following contemplated legislation:

- (1) Increase rate of contribution to the pension fund by the employer from the present $3\frac{1}{2}\%$ to 5% of salary.
- (2) Remove the present limit of \$5000 on salaries used for all calculation of contributions with option for those retiring after passage of this Act to use salaries over \$5000 if paid for, as previously provided by 1949 amendments.
- (3) Prior Service. (Montana teaching prior to 1937) If teaching at the retirement age and the prospective retirement allowance does not include credit for Montana teaching prior to September 1, 1937, the teacher may apply for and be granted credit for such Montana prior service if she is otherwise eligible for a retirement benefit and if she supplies the proper certification for such teaching.
- (4) Disability payment may be retroactive in certain cases. In cases of persons whose disability has made them incapable of proof of disability at the time of disability the payments to which the teacher is entitled may be dated back to the date of disability after furnishing satisfactory proof.
- (5) Provision for refunds in some disability cases. A person retired because of disability under age 60 not receiving total accumulated savings in monthly income prior to death entitles the beneficiary to the difference between total of accumulated savings and the total monthly payments received.

- (6) Provision for refunds in some retirement cases. Teachers retired on superannuation benefit dying before receiving three Retirement checks entitles beneficiary to refund of annuity savings fund deposit, minus monthly payments received while retired.
- (7) Provision for the exchange of member's rights between the Public Employee Retirement System and the Teachers' Retirement System by the transfer of the member's savings account from one system to the other with the provision that the service rights shall be maintained for retirement purposes, the same as in the system of origin, but actual retirement shall be computed on rules governing the System in which the person is a member at time of retirement.
- (8) Survivor's Benefit. If the member should die before applying for or receiving a retirement benefit the named beneficiary may choose between receiving a refund, as provided in Chapter 87, Laws of 1937, last amended by Chapter 28, Laws of 1949, Section 6, Part 8, Paragraph B, or a retirement benefit, provided the deceased member had completed the minimum service requirements and provided that such pension be calculated on the member's service and salary and the annuity be calculated on the deceased member's savings account but based on the beneficiary's age.
- (9) Permit University members to purchase credit for the years 1937-39 by paying 5% of these salaries and supplying proper affidavit to cover these years. (This is now prohibited by law.)
- (10) A correction in the present provision for a Vested Right after 6 months. This should read 1 year to better fit into the teaching field.
- (11) Some provision for the transfer of a member's account after 10 years to the pension fund that has no retirement rights and which has not been claimed.
- (12) A provision to permit the investment of funds in accordance to the law governing investments of Domestic Life Insurance Companies.

It was decided to vote on each item separately.

- Item (1) Approval was granted on a motion by Mr. Olsen and a second by Mr. Savage.
- Item (2) Approval was granted on a motion made by Mr. Savage and seconded by Mr. Olsen.
- Item (3) It was moved that approval be granted to this item on the condition that the words "if teaching at retirement age" be stricken. The motion was made by Mr. Olsen and seconded by Mr. Henry.
- Item (4) Approval was granted on a motion made by Mr. Savage and seconded by Mr. Olsen.
- Item (5) Mr. Savage suggested that the applicant for disability be given the opportunity to make a choice of the Benefit Option available

for the other retirements. Mr. Olsen moved that item (5) be approved and that Mr. Savage's suggestion be added. Mr. Henry seconded the motion which was approved.

- Item (6) Approval was granted on a motion by Mr. Savage and a second by Mr. Olsen.
- Item (7) Approval was granted on a motion by Mr. Savage and a second by Mr. Olsen.
- Item (8) Approval was granted on a motion by Mr. Olsen and seconded by Mr. Savage.
- Item (9) Approval was granted on a motion by Mr. Olsen and seconded by Mr. Henry.
- Item (10) Approval was granted on a motion by Mr. Savage and seconded by Mr. Henry.
- Item (11) Approval was granted on a motion by Mr. Olsen and seconded by Mr. Savage.
- Item (12) Mr. Henry suggested that the suggested amendment be written to exclude investments in corporate bonds. Mr. Savage moved that the amendment be so written and Mr. Henry seconded the motion which was approved.

Mr. Olsen moved that the following investments be made when sufficient funds are available:

\$	46,000.00	Carbon County School District #1. Interest 2.75%-2.80%
	100,000.00	Series K 2.76% Bonds
	16,700.00	FHA and Veterans' Mortgages from Bennett Agency in Bozeman, Montana.

Mr. Henry seconded the motion which was approved.

Mr. Savage moved that Mr. Harper be permitted to attend the Atlantic City meeting of the National Council on Teachers' Retirement to be held Feb. 16-17, 1953. Mr. Henry seconded the motion which was approved.

Mr. Savage moved to approve the stand taken by the NEA in the matter of suggested legislation to amend the Federal Social Security law to protect existing retirement systems. Mr. Henry seconded the motion which was approved.

Mr. Olsen moved that the disability application of Lily Morris of Cascade County be approved by the resident Board members, if and when her application is completed. Mr. Henry seconded the motion which was approved. Mr. Olsen moved that the following applications for retirement be approved when completed:

Mayme Bean
Gussie Gilliland Hall
E. E. Isaac

Liberty County
Missoula County
State College

Retirement applications (continued)

Hazel Johnson
Margaret Skinner
Isabelle McCallum
Velma Stuart
Sadie Clemons

Yellowstone County
Northern Montana College
Yellowstone County
Sheridan County
Chouteau County

Mr. Savage seconded the motion which was approved.

It was moved and seconded that the next meeting be held on March 7, 1953 at 10 a.m., with the understanding that the Chairman be authorized to call a special meeting if and when it was deemed necessary. The motion was approved.

The meeting was adjourned upon proper motion and second.

Mary M. Condon
Chairman

Robert W. Harper
Secretary

EXECUTIVE SECRETARY'S REPORT
December 13, 1952

Work in the office has progressed slowly this fall due to employee trouble on one desk, but we are now caught up quite well in all departments except posting and that is rapidly catching up.

In my last report I stated that Miss Shale was unsatisfactory. We shortly thereafter hired another woman who stayed about ten days and left because of the illness of her mother. We then employed another woman who lasted about two weeks. She proved to be an alcoholic. Now we have one Mrs. Helen Conn, hired with a starting salary of \$165 per month with the usual raises to \$200. She is a bit slow but is making reasonable progress toward speeding up. I might add that Miss McKenna has, of necessity due to illness, been absent about ten days. Otherwise, all is well.

On equipment, I'm glad to report that the new posting machine arrived in early October and has been very valuable in keeping things going as the old machine has been giving us some trouble of late. This places in operation all new equipment authorized for this year.

We have been using the services, half days, of a former employee, Donna Bakke McMaster, to take care of the extra work load (stenographic work on legislative bill and Biennual Report) and to help catch up.

We had an excellent meeting in Washington, which had been called by the NEA to discuss possible amendment of the Federal Social Security law in order to give more adequate protection to teachers covered by state retirement systems. During the first part of the meeting representatives of twelve employee organizations met and came to agreement on the policy to be adopted. During the second part of the meeting eight employer organizations joined in and the discussions continued. The employer group was inclined to throw all public employees under Federal coverage. The points agreed on were briefly as follows: (although there were parts not wholly agreed to by all).

(1) Amend Section 218 D of the Federal Law so that any group now covered by a state retirement law could get Federal coverage if--

- (a) The state has passed an enabling act.
- (b) That of the group wishing federal coverage, 20% would have to petition the governor of the state to require an election among the members.
- (c) That such election be conducted by the administrative organization of the retirement system and that a two-thirds majority of all members affirm the change to Federal coverage before it could be effected.
- (d) That coverage under Federal law requires that the rights and payments of retired and active members be guaranteed and financed by the state.
- (e) That such new arrangement be equal to or better than those under the state law.

Mr. Yelton asked that each group indicate their wishes as to the final bill. I have already written him that I felt sure you would agree on the suggestions because they followed previously agreed-upon principles, but that you would not have the chance to express yourselves until today, which would be after his dead-line date.

The only thing new on the Reorganization report was a talk I had with Mr. Gillette on proposed legislation that they are drawing up. First, they accepted our suggestion in regard to the Superintendent of Public Instruction being retained on the Board. Second, they intend to go ahead on other suggestions which I am told includes all departments making investments through the Land Board.

Since the last meeting I have done estimate work at Livingston and discussed our proposed legislative program at Edgar, Dillon, Montana State College, Missoula County High School and the State University. At all times there has been general approval and no new suggestions.

We have had a letter from Charles F. Gruenert stating that he was authorized by the Faculty Council of the greater University of Montana (composed of five faculty representatives for each unit) to pass the following resolution:

"This group takes a favorable stand on these proposals and recommends favorable consideration on the part of unit faculties---".

Miss Cronin of the Butte Schools was recently in the office. I asked about the reaction of the Butte teachers to the suggested legislation. She said they were inclined not to want anything attempted at all. I suggested that the thought be put in writing, but we haven't had any letters from them.

On the subject of investments, we have completed purchases of \$200,000.00 of our \$500,000.00 in FHA commitments. Of the remaining \$300,000.00, \$100,000.00 is from Great Falls National Bank and \$100,000.00 from Streeter Brothers, Billings. The other \$100,000.00 was to have been with the Daly Bank in Anaconda but they won't be available until next June or July. We will complete our purchasing by December 31, and possibly sooner, so we can begin to think of other investments.

The Biennial Report is being mailed to various departments and institutions and, of course, the incoming Governor and the new State Treasurer.

I might add that the NEA paid for the trip to Washington and for three of the days I was there; the other day, I charged to the Retirement System. Since the railroad ticket had to be paid for by the Retirement System, I deposited my check to the expense fund in the amount of \$219.12 on November 13.

TEACHERS' RETIREMENT BOARD MEETING

Helena, Montana

March 7, 1953

The meeting was called to order by Miss Condon at 10:15 a.m.. The following Board members were in attendance: Charles L. Sheridan, John L. Savage, and Raymond A. Gerber. Also in attendance were Actuary Floyd E. Young and Secretary Robert W. Harper.

On a motion by Mr. Gerber and a second by Mr. Savage, the minutes of the December 13, 1952 meeting were voted approved.

The typed copies of the monthly financial report were distributed to the members.

The Executive Secretary read his report. Mr. Savage moved that his report be approved. Mr. Gerber seconded the motion, which was approved.

Mr. Gerber moved that the following payrolls be approved:

Pensions for the months of April, May and June in
approximately the amount of- - - - - \$ 44,500 per month.

Office payroll for the months of April, May and June in
approximately the amount of- - - - - \$ 1,900 per month.

Mr. Savage seconded the motion which was approved.

A report on legislation effecting the Retirement System was read and discussed. Our own program was signed by the Governor on March 6, and embodied all the program except the increase in the employer's contribution and the removal of the salary ceiling. It was noted that this was the last meeting of this group prior to new appointments by the Governor before April 1.

Mr. Savage moved that a new "Brief of the Retirement Law" be made available as soon as possible. Mr. Gerber seconded the motion which was approved.

A new and revised "Servicing Agreement" by the Security Trust and Savings Bank of Billings, was submitted for approval. Mr. Savage moved that the Bank be informed that, in the Board's consideration, they felt the agreement we had submitted and which other institutions had signed was satisfactory to all, and that in view of this fact this Board would not agree to sign a new and different one with the Security Trust & Savings Bank; but if they would agree to sign the agreement as submitted, we would also.

On a motion by Mr. Gerber and a second by Mr. Savage, the Board agreed to purchase a group of FHA mortgages from the Great Falls National Bank, totaling approximately \$109,785.64.. Mr. Savage seconded the motion which was approved.

An offering of \$40,000 of Mineral Co., H. S. District #1 Bonds, was presented for consideration. Mr. Gerber moved that the Board make the purchase if they could be purchased to yield 2.9 per cent. Mr. Savage seconded the motion which was approved.

A purchase, in the near future, of \$100,000 Series K Federal Bonds was authorized on the motion of Mr. Savage and the second of Mr. Gerber. The motion was approved.

The Board next considered an offering of \$200,000 of FHA mortgages from the Daly Bank & Trust Co.. Mr. Gerber moved that they be purchased within the next few months or as soon as funds were available. Mr. Savage seconded the motion which was given approval.

The following list of interim retirements were submitted for approval:

Annie Rohan	\$ 57.85	per month
Mayme Bean	89.42	per month
Sylvia Watts	152.66	per month
Mary A. Taylor	29.21	per month
Rena K. McDonald	70.36	per month

Mr. Sheridan moved that the Board approve these retirements. Mr. Savage seconded the motion which was unanimously approved.

The following incomplete applications for retirement were presented:

Donna Belle Henry
Julia Maxine Dawdy

Mr. Gerber moved that they be approved for payment if and when the applications were complete and when the actuary had calculated the benefits. The motion was seconded by Mr. Savage and unanimously approved.

The Board instructed the Secretary to keep the original record in cases where persons applied for a transfer of their accounts to the Public Employees' Retirement System, under the provisions of Senate Bill 119. A transcript of the record, together with a check for the amount of the account, should be sent to the PERS. Furthermore, each such application should be acted on by the Board, prior to the transfer.

The Board's attention was called to the fact that its Executive Secretary, Robert W. Harper, has been elected Chairman of the National Council on Teacher Retirement of the National Education Association.

Upon a motion by Mr. Gerber, duly seconded and carried, it was the unanimous consensus of the Board that Mr. Harper is deserving of this responsibility and honor, and that the Retirement Board takes this official method of extending its congratulations. The Board further feels that the teaching profession in Montana is honored by Mr. Harper's recognition.

The next meeting of the Board was determined to be at the call of the Chairman.

The meeting was officially adjourned.

Harry M. Condon
Chairman

Robert W. Harp
Secretary

EXECUTIVE SECRETARY'S REPORT

March 7, 1953

In the retirement office, I am glad to report, all is well. Our work is up-to-date; our staff has remained unchanged; Mrs. Conn has proved satisfactory and Miss McKenna's posting operations are in good order.

All our commitments on FHA mortgages have been purchased except the group in Anaconda and in talking to Mr. Kunkel of the Daly National Bank, I find their paper is partially ready and what isn't will be within a few days so that we can begin to pick up this group.

In attending the National Council Meeting in Atlantic City, I found that there are several additions to the list of those who expect to either take on Federal Social Security coverage as their only retirement plan or as a supplemental plan. The states doing this are the ones who have been unable to improve their state-owned plans or whose governor is using the retirement plan as a victim of supposed economy measures. It now appears that Iowa, Utah, Wyoming and possibly Arizona will join Virginia, Mississippi and South Dakota in this unfortunate business. The contents of the amendments to the Federal Social Security law being sponsored by the NEA are to be introduced by Representative Read of New Jersey.

It was interesting to find out that the United States Chamber of Commerce is striving to get legislation passed that will have the Federal portion of the old age assistance program shifted to the Social Security Fund. Most of our discussions were about the OASI and how NOT to get involved in it. A copy of the program is presented for your inspection.

As most of you know by now, I was elected Chairman for the coming year and think it wise to mention that this incurs some extra traveling; once in June to the Representative Assembly and once next fall to Washington, all of which is at the NEA expense--but I would welcome your sanction.

The trip was made with Senator Moss's knowledge and approval since one hearing before the Senate Committee on Education was scheduled for about five hours after the time I would have to leave Helena. Mr. Young kindly consented to appear before the group to explain HB 45. I'm glad to be able to report that the Governor signed the bill March 6.

At the present time I'm in the process of completing arrangements for doing estimates in Lewistown, beginning March 16; this is at their request. Likewise, in Bozeman, I've been asked to do a repeat performance by the Bozeman teachers on April 8, 9 and 10. I want to schedule similar work this spring in Anaconda, but because of uncertain conditions regarding Board Members, I feel hesitant about making further arrangements until that situation clears up.

I'd like to report that the Union Bank reported that, due to death, the FHA account of Violet Swords was delinquent. As of March 5, we are informed that back payments have been made and the loan is now correct.

We have one other loan which became delinquent in January due to divorce. This is Rudy A. and Gladys Borg in Townsend. The Union Bank informs us, however, that the property is being divided and a sale is being negotiated and they expect the difficulty to be cleared up soon.

We have a letter from the Warm Springs Hospital informing us that, as per our request, a supplemental appropriation has been requested for \$890 to take care of past-due payments on behalf of Catherine Nutterville and that an appropriation was requested on her behalf for the coming biennium. I don't know whether it was allowed or not, but will find out.

RETIREMENT BOARD MEETING

June 6, 1953

The meeting was called to order at 10:05 a.m. by Miss Condon, Chairman. Board members in attendance were, Mr. Gerber, Mr. Savage and Mr. Sheridan. Mrs. Anna L. Fulton, a new Board Member to take office July 1, was in attendance at the invitation of the other Board Members. Actuary Young and Secretary Harper were also in attendance.

The minutes of the March 7 meeting were approved upon a motion made by Mr. Savage and a second by Mr. Gerber. The Secretary read his report. Mr. Gerber moved that it be approved and Mr. Savage seconded the motion which was approved.

Mr. Savage moved that the following payrolls be approved for July, August and September, 1953 in the following approximate amounts plus additions authorized at this meeting in the case of both payrolls:

Pension - - - - -	\$44,500 per month.
Office - - - - -	1,900 per month.

Mr. Gerber seconded the motion which was unanimously approved.

Mr. Gerber moved that the Board confirm the action of the local investment committee in authorizing the change in purchase of U. S. Treasury Bonds at 3.25 per cent instead of the Series K Bonds authorized at the last meeting, and that the committees' approval for the exchange of maturing Series F Bonds for the same 3.25 per cent U. S. Bonds be approved. The motion was seconded by Mr. Savage and given unanimous approval.

Mr. Sheridan moved that the offerings of FHA and Veterans' Loans be approved as follows, in the indicated approximate amounts as the money becomes available.

\$ 50,000	Great Falls National Bank
102,000	Union Bank & Trust Company

Mr. Savage suggested the inclusion of up to \$30,000 of FHA and Veterans' Loans from Streeter Bros. of Billings, and the \$9,000 mortgage from the Bennett Agency in Bozeman. Mr. Sheridan consented to this addition to his motion and then Mr. Savage seconded the entire motion which was unanimously approved.

Mr. Gerber moved that the application of Edward C. Schroeter of Kalispell, to transfer his account to the Public Employees' Retirement System under provisions of the 1953 law, be approved. Mr. Savage seconded the motion which was approved.

The Board discussed the purchase of new equipment as follows:

3 Oscillating G. E. Fans, Model 5106	
10 inch at \$17.95 each	\$ 53.83
less 10%	<u>5.38</u>
	\$ 48.45

1 New Underwood Electric Typewriter		
State price	\$	375.00
Less old machine		<u>125.00</u>
	\$	250.00
1 New Standard Typewriter		
State price		145.00
Less old machine		<u>27.50</u>
		117.50
1 National Electric Adding Machine		
State price		292.50
Less old machine		<u>15.00</u>
		277.50

Mr. Gerber moved that the purchase of all the equipment be authorized and Mr. Savage seconded the motion which was unanimously approved.

Mr. Savage moved that the following resolution be adopted pertaining to signatures on checks issued after July 1, 1953:

RESOLUTION 29

BE IT RESOLVED THAT, The First National Bank and Trust Company and The Union Bank and Trust Company of Helena, Montana as designated depositaries of the Teachers' Retirement System and they are hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this State Department's name, including those payable to the individual order of any person or persons whose name or names appear thereon as a signer or signers thereof, when bearing or purporting to bear the facsimile signature(s) of any two of the following:

Mary M. Condon	Raymond A. Gerber	John L. Savage
J. L. Gleason	Anna L. Fulton	

and the First National Bank and Trust Company and the Union Bank and Trust Company of Helena shall be entitled to honor and to charge this State Department for such checks, drafts, or other orders, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed specimens duly certified to or filed with the First National Bank and Trust Company and the Union Bank and Trust Company of Helena, Montana by the Secretary or other officer of The Teachers' Retirement System.

Mary M Condon

Savage John L. Savage

Gerber Raymond A. Gerber

Gleason

Olson

Mr. Sheridan seconded the motion which was given unanimous approval.

Mr. Savage moved that the following salary adjustments be made:

J. Hugh McKinny, accountant, from \$4300 to \$4800
 Posting clerk from \$175-\$225 to \$185-\$235
 Payroll and record clerk from \$160-\$200 to \$175-\$210
 Stenographer on half-time basis, change top salary from
 \$140 to \$150 per month.

Mr. Gerber seconded the motion which was given unanimous approval.

The Secretary presented the following Budget Estimate for the expense fund for 1953-54:

Salaries	\$ 23,680.00
Supplies	1,200.00
Machine Main., T & T, Bonds, etc.	700.00
Rent	450.00
Board	700.00
Postage	1,100.00
Travel	1,000.00
PERS	700.00
Depreciation	1,000.00
Total	30,530.00

Mr. Savage moved approval of the estimated budget and Mr. Gerber seconded the motion which received unanimous approval.

Mr. Gerber moved the approval of the disability application of Vera S. Anderson to begin in July, subject to the actuaries calculations. Mr. Savage seconded the motion which was given unanimous approval.

Mr. Gerber moved the retirement of Katherine Wall be approved as of the month of March. Mr. Savage seconded the motion which was unanimously approved.

Mr. Sheridan moved that the following list of retirement applications be approved for July payment, subject to proper completion of the records and calculation by the actuary:

- | | | |
|---|--|--|
| 1. Jessie A. Aiken
Yellowstone County | 6. Ann Cronin
Silver Bow County | 11. Margaret Griffith
Silver Bow County |
| 2. Walter Bourret
Toole County | 7. Edith B. Dahl
Flathead County | 12. Geo. W. Gustafson
State College |
| 3. Alma B. Coe
Phillips County | 8. Eloise Durnford
Ravalli County | 13. Mrs. Edna Harkness
Missoula County |
| 4. Lillian J. Cowling
Phillips County | 9. Fern Fallon
Dawson County | 14. James B. Harter
Missoula County |
| 5. Mrs. Rose Crenshaw
Wheatland County | 10. Carrie E. Gilham
Missoula, County | 15. Adelheid Henkel
Powell County |

- | | | |
|---|--|--|
| 16. E. A. Hinderman
Flathead County | 26. Grace P. Myers
Cascade County | 36. Ethel B. Taylor
Lewis & Clark |
| 17. Ruth E. Hinman
Missoula County | 27. Ruth Eleanor Nelson
Valley County | 37. Musa Tellier
Beaverhead County |
| 18. Mary Huddleston
Daniels County | 28. Della Pederson
Stillwater County | 38. Ida M. Ulsaker
Roosevelt County |
| 19. Susie Huston
Garfield County | 29. Fred L. Peterson
Lewis & Clark County | 39. Mrs. John Vogt
Blaine County |
| 20. E. E. Isaac
State College | 30. Elizabeth Rees
Hill County | 40. Beula Wharton
Toole County |
| 21. Harry H. Johnson
Rosebud County | 31. Winifred Robertson
Gallatin County | 41. Helen S. Welsh
Yellowstone Co. |
| 22. Katherine Kuhnes
Stillwater County | 32. Minnie Safford
Hill County | 42. Olive G. Whittmore
Cascade County |
| 23. Margaret Lockridge
Flathead County | 33. J. B. Speer
State University | 43. Mary H. Yeager
Golden Valley |
| 24. Jennie L. Luke
Lake County | 34. Mamie C. Streit
Chouteau County | |
| 25. Mamie Lynch
Silver Bow County | 35. Birdie Taylor
Pondera County | |

The motion was seconded by Mr. Savage and given unanimous approval.

The date for the next Board Meeting was set for 10:00 a.m., September 19, 1953.

The meeting was adjourned upon proper motion and second.

Mary M. Cantor

Chairman

Robert W. Harper

Secretary

EXECUTIVE SECRETARY'S REPORT

June 6, 1953

To refer back to my report of March 7, the Borg FHA account in Townsend has not as yet been settled. It is not a large one, being only \$1,400, and the officials at the Union Bank report that the whole affair will soon be concluded. Personally, I think the Bank plans on taking over the property themselves.

The Warm Springs Hospital sent us a state warrant for \$890 on the delinquent account of Catherine Nutterville. That settles that.

In the office our operations are up-to-date and progressing very well. I conducted interviews in Lewistown and Bozeman as planned during March and April. I did not conclude any arrangements with the Superintendent of Schools in Anaconda for this service because of the unsettled conditions pertaining to the Board members. I hope to be able to do that work early next fall. I was quite surprised at the large number that requested interviews in Bozeman, especially in view of my having done this work only a little over a year ago.

In a review of our present investment portfolio, we find the following distribution as of June 1, 1953:

FHA	\$ 2,000,401.70	29%
County, S.D., & City	983,785.65	14%
State of Montana	135,000.00	2%
U.S. Bonds	<u>3,881,941.26</u>	<u>55%</u>
	\$ 7,001,128.61	100%

All previous commitments have been completed as of now. Several offerings are listed in the agenda. After an analysis of our available cash and probable income, it looks like we will have a minimum of \$150,000 available for investment between now and July 1.

We replied to the Security Trust & Savings Bank in Billings as directed, but they apparently are not interested in a contractual relationship for FHA mortgages--except on their terms.

The offering of U. S. Government Bonds at $3\frac{1}{4}\%$ was one that required immediate action so I consulted with local Board members and they agreed to the two actions taken, and for which final approval is requested in the agenda. The exchange of the Series F Bonds had to be requested at once, so that was done as indicated and the changing of our purchase from Series K to the new $3\frac{1}{4}\%$ Bond.

I have contacted Mr. Lou Bretzke in regard to our problem of working out operational details to comply with SB 2 providing for the investment of our funds by the Land Board, and at the same time not relinquishing the Teachers' Retirement Board's trusteeship of their funds. The transfer will not take place until after the annual examiners' verification of

our investments. The examiners' list will be the basis of our report. There, of course, will be no moving of the Bonds since the State Treasurer is, in all cases, the custodian.

Regarding the new equipment requested: We have found through successive summers that some circulation of the air is essential on the west side of the building, hence the request for fans.

The present electric typewriter is working but we feel it more economical to change while there is still a decent value left in the old machine. The standard machine is to replace the one used on the record clerk's desk. This machine is quite old and needs to be replaced. The electric adding machine is for the same desk and we will trade in an old hand machine that we have had since 1937.

Copy for the new Brief of the law has been sent to the printers. Mr. Young also checked over the copy before it was sent to the printers. We should have the new booklets soon.

RETIREMENT BOARD MEETING

September 26, 1953

The meeting was called to order by Chairman Mary Condon, at 10 a.m. In attendance were: Mrs. Anna L. Fulton, J. L. Gleason, Raymond A. Gerber, John L. Savage and Floyd Young, Actuary and R. W. Harper, Executive Secretary.

Mr. Gerber Called the Board's attention to the fact that since there were two new members on the Board perhaps an election of officers would be appropriate, and so moved that Miss Condon be nominated for the position of Chairman of the Board. The motion was seconded by Mrs. Fulton. It was then moved that the nominations be closed and that Miss Condon be declared Chairman by acclamation. The motion was seconded and unanimously passed.

Following a suggestion by Mr. Young that perhaps the Board would like to have a Vice-Chairman, Miss Condon called for nominations for that position. Mr. Savage nominated Mrs. Fulton and Mrs. Fulton nominated Mr. Savage for Vice-Chairman. Mrs. Fulton requested that her name be withdrawn and moved that the nominations be closed, and that Mr. Savage be elected by acclamation. The motion was seconded by Mr. Gerber and Mr. Savage was elected Vice-Chairman.

Mr. Gerber moved that the Retirement Board re-organize each September for the purpose of electing a Chairman and Vice-Chairman. Mr. Savage seconded the motion which received unanimous approval.

Mr. Gerber moved that the minutes of the June 6 meeting be approved. Mr. Savage seconded the motion which was unanimously approved.

Mr. Savage moved that the financial report for August 30 be approved. Mr. Gerber seconded the motion which was unanimously approved.

**

The Secretary, in his report, called attention to the possible need of hiring an additional posting clerk in the \$195-\$235 wage bracket. The Board members discussed this problem at length and offered several suggestions, then Mrs. Fulton moved that the Executive Secretary be given the authority to get the necessary posting clerk and report at the next meeting. Mr. Savage seconded the motion which was approved.

Mr. Gerber moved that the following payrolls be approved for the months of October, November and December:

Pension, approximately - - - - -	\$48,500.00	per month
Office, approximately - - - - -	1,900.00	per month

Mr. Gleason seconded the motion which was given unanimous approval.

Mr. Gerber moved that the investment procedure, under Chapter 173 of the 1953 Legislation and as agreed to by the Land Board, be confirmed as outlined in the following paragraph:

**The Executive Secretary read his report and Mrs. Fulton moved approval of the report which was seconded by Mr. Gerber and unanimously approved.

"The agency involved will, as trustee of its funds, submit to the Land Board a notice of the amount of money available for investment at any given time and at the same time submit to the Land Board a list of one or more investments that are suggested by the agency as a suitable investment for the money available, such investment to be made in the name of the Land Board for the account of the agency submitting the notice. The Land Board, in turn, is requested to pass judgment upon the investment and approve or disapprove such investment."

The motion was seconded by Mr. Savage and given unanimous approval.

Mr. Gerber moved that the interim purchase of \$48,500 in Silver Bow 3.75% Bonds (yield 3.45%) be confirmed. Mr. Savage seconded the motion which was unanimously approved.

It was moved by Mr. Gerber that the interim Investment Committee be composed of the Chairman of the Board, the Actuary and the Executive Secretary, and that the Investment Committee confine their consideration to issues approved by the Retirement Board at a previous meeting. The motion was seconded by Mr. Gleason and voted unanimous approval.

Mrs. Fulton moved that the Board approve the following investments in the approximate amount shown for the Investment Committee's consideration when funds are available for their purchase.

- (a) Union Bank & Trust Company, Helena, Montana
approximately \$113,700 FHA Mortgages
- (b) Great Falls National Bank, Great Falls, Montana
approximately \$104,700 FHA Mortgages
- (c) Streeter Brothers, Billings, Montana
approximately \$106,200 FHA and VA Mortgages
- (d) Daly National Bank, Anaconda, Montana
approximately \$300,000 FHA Mortgages

The motion was seconded by Mr. Savage and given unanimous approval.

It was moved by Mr. Gleason and seconded by Mr. Gerber that the account of Mr. Walter Bourret, Sunburst, Montana, be transferred to the Public Employees' Retirement System as he requests. The account carries eleven years of membership service and \$1,473.49. The motion was unanimously approved.

It was moved by Mr. Gleason and seconded by Mr. Gerber to transfer the following list of dormant accounts (accounts more than ten years old) to the Pension Accumulation Fund as provided for by Chapter 216 of the 1953 Laws. The motion received unanimous approval.

Allen, Florence	\$ 15.03	Anderson, Mrs. Ethel	\$ 67.28
Askvold, Johanne	16.78	Barn, Dorothy	17.17

Benki, Irene	\$ 5.62	Kelly, Milton B.	\$ 60.99
Bodine, W. A.	12.37	Kerner, Lydia	6.08
Boggs, O.C.	22.64	Kloss, Edith	13.95
Boner, Dorothy	9.34	Koester, Elizabeth	10.42
Boomer, Eyra A.R.	16.41	Kurtz, Frances M.	16.45
Buchanan, L.L.	21.72	Lanz, Mrs. Lloyd	15.72
Burnett, Marjorie	8.65	Larson, Regina	12.67
Calkins, Evelyn	25.47	LaRue, Evelyn	4.74
Camp, Charles	2.95	Laughlin, Margaret	39.12
Clark, Julia O'Connell	264.32	Leach, Theressia	2.94
Cooper, Catherine A.	9.85	Leonard, Opal C.	685.38
Cope, Rosamond	39.92	Liming, Helen L.	33.95
Corlett, Margaret	2.92	Lindquist, C.R.	41.76
Cowey, Annie	5.48	Lynch, Mary E.	307.33
Devlen, Jeanette	16.66	McConochie, Jean	62.10
Dick, Alvis Dudley	91.07	McDonald, Patricia S.	6.47
Dohlen, H.O.	734.81	McGhee, Beulah	10.42
Dove, Nancy	12.07	McWithey, Sylvia	15.34
Engel, Vernon	20.42	MacDonald, Janet Jackson	56.71
Everett, Florence	3.54	Maloney, Irene	46.02
Farden, Eva S.	4.18	Mattross, Jerome	152.48
Floyd, Marjorie R.	17.98	Mauritson, Muriel	7.11
Foss, George	.68	Meadows, Bertha	25.28
Friffity, Margaret	7.73	Mehrye, Dorothy	3.91
Frost, Robert	13.60	Monk, Abbie	44.79
Fuchs, Emanuel	22.91	Moore, Mildred	10.36
Gohla, Katherine	85.06	Morange, Jons	37.58
Gosswiller, Katherine	15.53	Morrison, Marian	158.66
Griffin, Chester W.	475.28	Morse, Ruth	24.93
Habenicht, Vera	342.37	Moss, Edith A.	88.80
Hajek, Frances	37.24	Mullert, Lucy	25.32
Hannah, Eleanore D.	6.16	Munson, Mrs. Joe	18.59
Harwood, Geraldine	8.78	Nagle, Thelma	8.68
Hatleberg, Jennie	43.34	Nelson, Geraldine	8.88
Haylman, Dorothy	2.34	Nelson, Geraldine B.	52.32
Hill, Fern Day	10.03	Newerth, Elizabeth	8.15
Hill, Norene O.	24.03	Newhouse, Elma A.	12.17
Jackson, Hollie	30.58	Odden, Agatha K.	275.36
Honey, Bessie	7.42	Olson, Mabel	20.11
Hoostine, Beatrice	29.64	O'Neal, Elizabeth	52.04
Hughes, Mary B.	10.75	Opgrande, Winifred	520.96
Hunt, Mrs. Velda	7.56	Packwood, Mrs. B. T.	12.10
Irgens, Cora L.	4.31	Paine, Jean R.	120.96
Iszler, Otta	64.79	Patterson, Alvin	36.19
Jakins, Mrs. Robert	2.93	Patterson, Ethel	4.62
Jennings, Ivan	189.29	Penwell, Dorothy	1.28
Jensen, Mrs. Elmer	12.02	Persons, May E.	46.44
Jensen, Jeanette	30.23	Petrie, George C.	7.73
Johnson, Mrs. Charles	3.58	Pieper, Mrs. Opal	39.02
Johnson, Mrs. June	10.16	Prodger, Dorothy	5.07
Johnson, Sylvia	454.96	Putman, Henrietta	2.86
Keller, Marydee	56.96	Quale, Melinda S.	107.54

Rash, Maryon	\$ 26.55	Stieg, Esther	\$ 9.54
Reed, Eloise	4.36	Stirling, Ida	44.89
Rhea, Ernest O.	6.53	Stumpf, Frank L.	178.90
Riggin, Sarah	52.36	Sullivan, Margaret	25.86
Rounds, Royal E.	234.89	Sutton, Margaret	11.74
Rowe, Margaret	2.60	Swartz, Melvin	2.72
Ruddy, Frances A.	1.33	Thaden, Florence	75.52
Russell, Laverne	9.70	Thomas, W. H.	98.83
Ryan, Grace M.	314.57	Thompson, Olna	7.31
Sassano, Mary	41.42	Thorall, Verna	26.54
Sather, Theresa M.	12.91	Thornton, Ester	19.36
Scherlie, Martha	28.00	Thurman, Lura	27.78
Shafer, Ruth	38.39	Tripp, Mrs. Geo. R.	25.84
Shaffer, Phyllis	26.17	Vail, Audrey	23.03
Sheppard, Craig	153.68	Wadsworth, Leon	100.42
Shuckman, Clarice	21.83	Wakefield, Oma	49.59
Simmons, Helen	199.55	Walston, Bernice	6.14
Skram, Mrs. Eli	20.98	Warner, M.M.	6.93
Slatturn, Odin .	30.83	Weber, Nadine	57.19
Sletten, Mildred	66.69	Wesche, Ferne	16.96
Smith, Clara	6.64	Wilson, Maude	12.27
Smith, Dorothy Davis	95.16	Wischmann, Hans,	85.36
Smith, Frederick B.	190.40	Withrow, Helen	74.01
Smith, Lucille Marie	39.29	Woods, Abbie	21.68
Stahl, Suzanne Gilbert	51.07	Young, Pearl H.	330.37
Stanley, Sally	13.96		
Stephens, Harriet F.	169.82		

It was moved by Mr. Gleason and seconded by Mr. Savage to pay the Bank Examiner's bill in the amount of \$150. The motion was unanimously approved.

In regard to the matter of bonding the employees, a short discussion ensued as to types and amount of the Bond required. It was moved by Mr. Gleason that the Investment Committee be authorized to proceed with the necessary details to bond all employees. The motion was seconded by Mr. Savage and given unanimous approval.

Mr. Harper was given permission to travel to Washington D.C. for the National Council Executive Committee Meeting by a motion made by Mrs. Fulton and seconded by Mr. Savage. The motion was passed unanimously.

Mrs. Fulton moved that the following interim retirements, as calculated by the actuary, be given approval. The motion was seconded by Mr. Savage and unanimously approved.

1. Ruth Coan	\$ 48.50	Flathead
2. Gesine Musgrove	78.50	Meagher
3. Frank Moyer	126.24	Fergus
4. Elsie Moyer	98.13	Fergus
5. Carrie Swingle	87.83	Fergus
6. Clara Andersen	59.55	Golden Valley
7. Roy Huber	93.26	Valley (Joint-survivorship)
8. Wm. J. Corbett	65.73	State Department

Mr. Cerber moved that the following retirement applications be approved for payment and the files be given to the actuary for calculation of each benefit:

1. Margaret E. Strong, Missoula, Montana
2. Winifred C. Schmidt, Carbon (November)
3. Josie C. Sherman, Cascade
4. Ethelyn C. Harrison, State College

The motion was seconded by Mr. Savage and unanimously approved.

It was determined by common consent to meet next at 10 a.m., December 12, 1953.

The meeting was adjourned on proper motion and second.

John L. Savage
Vice Chairman

Robert A. Harper
Secretary

Executive Secretary's Report

September 26, 1953

Through the medium of several meetings and conversations with the Land Board and Lou Bretzke, I think the procedure for the handling of investments has, at last, been agreed upon. This procedure is mentioned in this meeting for formal approval as it finally came from the Land Board. This is being done so it will appear in our minutes. It also seems unnecessary for the Land Board to have their name on our FHA purchases of Bonds except in the billing. So far, we have made our purchases in this manner. We will continue to list all purchases in Retirement Board meetings for approval.

The equipment purchases authorized at the last meeting have all been delivered and are now in operation. I don't see how we got through previous summers without the fans. They were very helpful in making the offices more comfortable during working hours. The only comment I would like to add is that we need one more fan for this room, but that can wait until next year.

Our summer work was satisfactorily completed and all vacations over, except that of Miss McKenna, who is on vacation at the present time.

I think that our fall "change-over" is further advanced for this time of year than in previous years because we are better equipped to handle the problem as there have been no changes in the employees.

Mr. Kahla conducted the usual examination of our books. He made two comments which I would like to clarify for the Board. First, he feels that there should be a blanket bond for all employees of the Retirement System. I have often felt that such should be the procedure, especially since, in recent years, I personally handle very little of the cash received and disbursed by the office. It is my hope that you will give this matter careful consideration in other parts of this meeting.

Secondly, he refers to the "Variation Account", set up last year at his request. Most of the errors of which he speaks occurred by the use of an inexperienced operator on the posting machine in picking up incorrect balances while posting interest and leaving "new" sheets in the member's folder when new second and third sheets were made up. He made several suggestions to help us reduce these errors, all of which we are adopting except one which would require Board action, and to which reference is made later in the meeting. This refers to the hiring of another posting clerk so that we could stop long enough in our posting chores to take an inventory once each month instead of once each year as is currently done. It has been impossible to hesitate in our posting operations in the past for a monthly check. If we did, we would be so "snowed under" with incoming reports that we would never get out from under again for the rest of the year. Your discussion of the problem will be appreciated.

We will be represented at all the M.E.A. Meetings to be held late in October, with the exception of the meeting to be held in Bozeman. We plan

to cover the four, by Hugh McKinny taking two meetings and I will take two--and spend a day at a table in the convention hall so that anyone wishing to do so may stop and make inquiry about the retirement law.

Other field work in the fall is now being planned.

Your permission to attend the October 19-20 Executive Committee Meeting of the National Council on Teacher Retirement is requested.

There is about \$150,000 of uncommitted money.

RETIREMENT BOARD MEETING

December 12, 1953

Since the Chairman, Miss Mary Condon, was out of town the meeting was called to order by Vice-Chairman, John Savage, at 10:10 a.m..

In attendance were Board members, Raymond A. Gerber, Anna L. Fulton and J. L. Gleason, the actuary, Floyd E. Young and Secretary R. W. Harper.

The minutes of the September 26 meeting were read and there being no objection they were approved by unanimous consent.

The Financial Reports for the month of November were presented.

The Secretary's report was presented and approved by a motion made by Mr. Gerber and seconded by Mr. Gleason.

Mr. Gerber moved that the payrolls for the months of January, February and March, 1954 be approved in the following amounts:

Pensions	approximately	\$ 48,000 per month
Office	approximately	1,985 per month

Mrs. Fulton seconded the motion which received unanimous approval.

Under the heading of "old business" the Secretary called the Board's attention to the disposition of two matters discussed in the September meeting, namely:

1. The placing of an indemnity bond on all employees.
2. The hiring of an additional posting clerk on a part-time basis.

The Board expressed approval on both actions.

The Board's attention was called to the wording of a motion passed at the September meeting which seemed to preclude the purchase of investments by the local Investment Committee if the purchase had not been previously approved by the Board. It was decided that such a situation would not happen often, and should such a situation develop the Board members could be contacted by phone.

It was moved by Mr. Gerber and seconded by Mrs. Fulton that the Teachers' Retirement System sign a "Servicing Agreement" with the Northwestern Bank of Lewistown for the purchase of F. H. A. Mortgages. The motion was seconded by Mrs. Fulton and given unanimous approval.

In a motion made by Mr. Gleason and seconded by Mr. Gerber, the Board gave general approval to the purchase of the following amounts of F. H. A. and G. I. Loans with special consideration to be given individual loans by the Investment Committee. Such purchases are to be made when funds are available.

Union Bank & Trust Company	\$ 112,338.45
Great Falls National Bank	109,000.00
Northwestern Bank of Lewistown	<u>300,000.00</u>
	521,000.00

Mr. Gleason moved that the present rate of $2\frac{1}{2}$ per cent be continued on the Annuity Savings accounts for the fiscal year from July 1, 1953 to June 30, 1954. Mrs. Fulton seconded the motion which received unanimous approval.

It was moved by Mr. Gerber that Mr. Harper be allowed to attend the Meeting of the National Council on Teacher Retirement on February 15-16, 1954, in Atlantic City, said trip to be at N.E.A. expense. Mrs. Fulton seconded the motion which was unanimously approved.

The Secretary reported that Mrs. Margaret Taylor of Fergus County had called at the office and made reference to two periods of Red Cross Service--one paid by the Red Cross and the other paid by contributions to the Red Cross--but not in quite the same way. The question was--which service should be recognized. The Retirement Board instructed the Secretary to accept for record that part of her service that could be confirmed with an affidavit from the Red Cross.

Mr. Young reported to the Board that it might be possible for the System to make a larger monthly payment based on more than thirty-five years of service, where such service existed. The Retirement Board authorized his further investigation, and counsel with the Attorney General to find out what might be done. The motion was made by Mr. Gerber and seconded by Mr. Gleason and was approved.

At this point, a list of G. I. and F. H. A. mortgages were submitted from Streeter Brothers, Billings, Montana.

It was moved by Mr. Gleason and seconded by Mr. Gerber to inform Streeter Brothers that no further commitments could be made at this meeting, since enough had already been made to more than cover prospects of available cash.

Mrs. Fulton moved that the survivor's benefit claim of William Kraft, on the account of Louise Kraft (deceased member) be approved for payment, as calculated by the actuary. Mr. Gerber seconded the motion which received unanimous approval.

It was moved by Mr. Gerber that the survivor's benefit claim of Mrs. Harry Hoffman, on the account of Harry Hoffman, (deceased member) be approved for payment, as calculated by the actuary. Mr. Gleason seconded the motion which was given unanimous approval.

Mrs. Fulton moved that the disability application of Claire B. Bartholomew be approved for payment as calculated by the actuary. The motion was seconded by Mr. Gerber and unanimously approved.

It was moved by Mrs. Fulton to approve the pension applications of the following:

1. Goldie Kilpatrick Sherman
2. Sadie E. Clemons
3. Elizabeth Cross

The payments of the above to be calculated by the actuary at such time as the records are completed and proper payments made. Mr. Gleason seconded the motion which was unanimously approved.

Mr. Gerber moved that the next Retirement Board Meeting be held at 1 p.m., March 6, 1954. Mrs. Fulton seconded the motion which was approved.

The meeting was adjourned on proper motion and second.

Robert W. Harper
Chairman
Self

Mary M. Condon
Secretary
Chairman

Executive Secretary's Report

December 12, 1953

At the last meeting there were two matters discussed and acted upon that need to be covered by a report at this time.

First, the matter of finding additional help in the posting department. After much consideration of all angles of the problem, I decided to employ a student from Carroll College on a part-time basis. We now have, on this job, Jack P. Sikorski from Baker, Montana, employed at the rate of \$1 per hour for an average of four hours per day. This has enabled the posting department to keep up-to-date in their work and stop at the end of each month to run an inventory total.

The second matter was left to the decision of the Investment Committee--on the matter of bonding the employees. After receiving another bid on a "Blanket Position Bond" of \$10,000 for each of the six employees, it was decided to purchase the one offered by Bowden-Cook Company at \$227.22 for a three year period. This was the lowest bid, the other being \$282.62.

Another matter that will be of interest to you: Shortly after our last meeting, Miss Condon released a story to the press about the \$10,000 in the dormant accounts that we were transferring. This resulted in a flood of correspondence to her office and ours, but it also resulted in forwarding fifty-two claim forms being sent to those who appeared to have valid claims. There were 160 names on the list. Out of this group we have paid 38 claims amounting to \$3,342.62. There were two transfers to active accounts. These figures were up to and including December 8, 1953.

Lieutenant Governor Gosman received a letter from a Miss Agnes Mac Donald of Missoula asking for a larger pension. He forwarded his reply to us, together with her original letter, and I made a further reply to her explaining the situation and saying that the matter would be brought to your attention.

On the matter of investments: I would like to report the following facts for your guidance in consideration of investments at this meeting. Of the commitments made in September, all have been taken up except \$300,000 to the Daly Bank & Trust Co., and we are picking up \$125,000 of these next week.

Our investment income runs about \$150,000 per month. *(for investment purposes)*

As of November 30, 1953, our F. H. A. holdings were 32.67% of our investment portfolio. The law provides for no more than 40%.

Reference is made later in the meeting to an action taken by the Board in September which stated that the Investment Committee "...confine their consideration to issues approved by the Retirement Board at a previous meeting...". I wonder if you meant to exclude the possibility of our purchasing bonds that might come up which would need quicker action.

Four of the five M. E. A. Conventions were covered by Mr. McKinny and myself. I talked at a teachers' meeting in Red Lodge in early November. I had hoped to get more outside work done, but between heavy work in the office and my National Council activities, I was unable to get out. We put out a brief statement for the teachers at the M. E. A. meetings, and both of us brought back many inquiries for more detailed information about individual accounts.

Another item that has entered into the picture this fall has been the compiling of a lengthy job analysis which we made for the new "Personnel Commission." A copy of this work is available for your inspection. I'm informed that the next step is to be a detailed questionnaire to be completed by each employee, including the "loyalty oath" which has received much publicity from the press.

Other activities in the office are up to, or ahead of, schedule.

We mailed with our November retirement checks a sheet prepared by the National Education Association regarding HR5180 which requests a better tax exemption for retired persons.

RETIREMENT BOARD MEETING

March 6, 1954

The meeting was called to order at 10:15 a.m. by the Chairman, Miss Condon. All members of the Board were present and in addition the Actuary, Floyd Young and the Executive Secretary, R. W. Harper.

Mr. Savage moved that the minutes of the December 14, 1953 meeting be approved as presented. Mr. Gleason seconded the motion which was approved.

Mr. Gleason moved the approval of the financial reports which was seconded by Mr. Gerber and approved.

The Executive Secretary read his report which was approved on a motion by Mr. Gerber and a second by Mr. Savage.

Mr. Savage moved that the payrolls for the months of April, May and June be approved in the following approximate amounts:

Pension - - - - -	\$ 48,000.00
Office - - - - -	1,985.00

The motion was seconded by Mr. Gerber and approved.

Under the heading of "Old Business" the Board discussed the problem of crediting service beyond thirty-five (35) years while the teacher is still under sixty years of age. This discussion revolved around Mr. Young's counsel and the reading of an opinion by the Public Employees' Retirement System's attorney, and agreed to by the Attorney General's office, which assented to such procedure for that System.

On a motion made by Mr. Gleason and seconded by Mr. Gerber, the Secretary was instructed to ask the Attorney General for an opinion on the matter as it effects the Teachers' Retirement System. The motion was unanimously approved.

Under the heading of "New Business", the Secretary discussed with the Board two problems on which it seemed desirable to have an expression of the Board's wishes so as to be better able to represent the Board to the public.

First: Does this Retirement Board, at this time, contemplate sponsoring any legislation in the 1955 Montana Legislature? Such matters as increasing the employers' contribution and lifting the \$5,000 salary ceiling were discussed. Mr. Gerber moved that, as of this date, the Board go on record as not favoring any legislation for the 1955 Legislative Session. The motion was seconded by Mr. Savage and unanimously approved.

The second point concerned the Boards' attitude toward any attempt by the Montana Teachers' Retirement Board to seek any coordinated plan with the

Federal Social Security. All points were thoroughly discussed including the two present legal barriers to such a plan. It was moved by Mr. Savage that the Board take the stand of not recommending any legislation that would seek to coordinate or replace our Montana Teachers' Retirement System with the Federal Social Security plan since it was obvious that our present plan was far superior to any benefits provided by Social Security. The motion was seconded by Mr. Gerber and unanimously passed.

Mrs. Bee Murphy presented an application to transfer her account of six years of membership service and deposits of \$813.20 to the Public Employees' Retirement System. Mr. Savage moved that the transfer be authorized. Mr. Gleason seconded the motion which won unanimous approval.

A letter from the Board of Examiners was read by the Secretary which informed this Board of an increase in the rent to be paid, from January 1, 1954, to \$85.30 per month from the former \$35 per month. Mr. Gerber moved that the new rate be paid and the expense budget be so adjusted. Mrs. Fulton seconded the motion which was unanimously approved.

The Secretary reported on the investigation of 41 Optional Retirement cases and 53 Disability cases by the Retail Credit Company at a cost of \$292.51. There were six Disability cases brought to the attention of the Board and one Joint-Survivorship case. It was moved by Mr. Gerber that the Secretary be authorized to pay the bill and write the following cases asking for another examination to prove the continuance of the disability originally reported, and thus indicate whether continued payment should be made. Mrs. Fulton seconded the motion which was approved.

1. Nellie Castleman age 56
2. Laura De Witt age 54
3. Alice Halverson Wilson age 54

In regard to the case of Mae and Joe Cornish, it was moved by Mr. Gerber that the Secretary be instructed to write to Mrs. Pearl Figg, daughter of Mr. and Mrs. Cornish, who has been receiving the checks, that she supply proof that at least one of her parents (Mr. or Mrs. Joe Cornish) are alive, and that further payments be withheld until such proof was supplied. If the proper proof is given, then all payments that may have been withheld can be made. The motion was seconded by Mrs. Fulton and approved.

The Secretary reported the delinquency of the F. H. A. account of John K. Crossman, Roundup, Montana, as reported by the Union Bank & Trust Company. At present, no action was taken or needed in this case as it may solve itself.

It was reported that our F. H. A. Mortgages now amount to 37.52% of our Investment Portfolio.

It was moved by Mr. Savage and seconded by Mr. Gleason that the Investment Committee be authorized to purchase the following investments:

\$100,000.00 F. H. A. Mortgages through the Union Bank & Trust Co.
250,000.00 United States Government Bonds.

The motion was unanimously approved.

The following interim retirements were approved on a motion made by Mr. Savage and seconded by Mr. Gerber.

Grace Ryon	Missoula	\$ 122.44	per month
Elfie Oldsen	Vested Right	59.64	per month
Harriett Metcalf	Ravalli	112.90	per month

Mr. Gerber moved that the following disability allowance be granted under Option Number 5, payable to the wife of Norman Korn, Lewis & Clark, December, 1953, \$73.83. The motion was seconded by Mr. Savage and approved.

Mr. Gerber moved that the following retirement applications be approved and the records turned over to the actuary for calculation when complete and payable, as each case requires. The motion was seconded by Mr. Savage and given unanimous approval.

1. Freida Bull Bozeman
2. Cornelia Geary Williams Vested Right
3. Douglas Gold Vested Right
4. Lily Morris Great Falls
5. Lilian Peterson State Department
6. M. H. Bell Survivor's Benefit
7. Elnora J. Robbins Vested Right

The date for the next Board meeting was set as June 5, 1954 at 1 p.m..

The meeting was adjourned on proper motion, second and approval.

Nary M Condon
Chairman

Robert W. Harper
Secretary

Executive Secretary's Report

March 6, 1954

Activities in the office are progressing very well. Our posting operations are 'right up-to-date and we have been able to stop for an inventory of accounts at the last of every month. All other usual tasks are being done right on time.

On the investment situation, we are fast approaching the 40 per cent point for F. H. A. Investments. With the purchase of \$100,000 from the Great Falls National Bank, they constitute 37.52 per cent of our portfolio. This was speeded up somewhat by the redemption of one of our Series F Bonds. We have yet to pick up, out of our previous commitments, only \$300,000. When they are purchased, our percentage will be 39.76. Suggestions on this situation are offered later in the agenda.

It has been the custom of this office to make a contact with disability claims about every four or five years to ascertain the validity of the claim being paid, and this year we inspected "Optional Claims" to see if there had been any unreported deaths. We found six disability claimants and one optional claim that we feel need further investigation. They will be individually handled later in the meeting.

I am most happy to say that my year as Chairman of the National Council on Teacher Retirement is now concluded. It was an interesting year and required a great deal of correspondence, but I'm glad it is behind me. I'm distributing a sample of the loose leaf sheets that the National Education Association will prepare for each state. Because I was Chairman, Montana was used as the sample state. I believe the Atlantic City meeting was a success. One copy of the resolutions passed at this meeting is at this meeting, also a copy of the program.

My field work plans, at the present, include the following engagements:

General talk at Ennis, March 8.

Discussion of "Retirement Problems and Social Security" before the University Union group, March 10.

On March 15, I'll begin a week of making estimates at Anaconda.

On April 12, I speak to the teachers at Huntley and Worden on the Montana System.

That should just about wind up the field work for this school year. I'd like to add that I had a nice meeting with the Sidney teachers, courtesy of Ray Gerber, and did estimate work there for two days prior to my leaving for Atlantic City.

You'll notice that after all these years we had our rent raised from \$35 per month to \$85.30. The Board once refused to pay any rent so we didn't get to keep the office we had had until we did pay, so I assumed the responsibility

for paying the amount due for the next three months.

Miss Montana Gilbert, a former teacher in Dillon, applied for a retirement benefit, and would have appeared on the list of "Interim Benefits" but she died before we could make her February payment. We have contacted her beneficiary about the disposition of the account.

As of March 1, we had refunded to forty-five people a total of \$3,915.39 of the transferred dormant accounts --out of the original 160 accounts amounting to \$10,062.26.

RETIREMENT BOARD MEETING

June 5, 1954

The meeting was called to order at 1:15 p. m. by the Chairman, Miss Mary Condon. All other Board members were present as were the Actuary and the Executive Secretary.

On a motion made by Mr. Savage and a second by Mr. Gleason, the minutes of the March 6 meeting were approved as presented. The motion was unanimously approved.

The monthly financial reports having been distributed and the Executive Secretary's report presented, a motion to accept them was made by Mr. Gerber and seconded by Mr. Gleason. The motion was passed.

A motion was made by Mr. Gleason and seconded by Mrs. Fulton to approve the payrolls for July, August and September at the following rates, both to be subject to such additions as approved at this meeting:

Pension	\$ 48,000.00
Office	2,150.00

The motion was unanimously approved.

Old Business:

The Secretary reported on the three cases on which the Board had desired further investigation before continuing payments.

1. Lura DeWitt. Wolf Point. Examination showed definite disability from arthritis and heart trouble. She is able to do some sewing at a laundry. Disability payment continued.
2. Nellie Castleman. Examination showed teacher to be in good health so she was removed from disability roles and her account placed in the Vested Right File so she can get regular pension when she is sixty (now fifty-six). She was getting \$35.37 per month.
3. Mae and Joe Cornish (Joint and Last Survivorship). Confirmation obtained that both are alive and a new and correct address to be used for forwarding checks. All seems satisfactory.
4. Alice Halvorsen Wilson. The doctor's report which was just received was read. Other conditions surrounding the case were described by the Secretary. The Board discussed the case at length. Mr. Savage made a motion to the effect that Mrs. Wilson's disability checks should be continued since the medical report indicated true disability, but that she is also to be informed of her responsibility to keep us informed of her employment, if any. Mrs. Fulton seconded the motion which

was unanimously approved.

The second item under Old Business was the reading of a letter from Leif Erickson, of the Attorney General's Office, which indicated no legal objection to the payment of 1/140 of the average salary for each year over thirty-five (35) years that accrued prior to age sixty. This possibility was discussed at length with the result that the Board decided to postpone action awaiting information to be supplied at the next meeting by the Executive Secretary regarding numbers of persons so far retired who would qualify for an increase in retirement benefits, and the approximate cost of said increases.

New Business:

A proposed Servicing Agreement with the First National Bank of Kalispell was presented. On a motion made by Mr. Gerber and a second by Mr. Gleason, the Board voted unanimously to approve the new F. H. A. and Veterans' Housing Mortgage Agreement with the First National Bank of Kalispell.

The Secretary brought to the Board's attention a rule formerly passed on May 27, 1944, that provided for interim approval of pension and disability applications by the three resident members of the Board. Since there are no longer three resident members, the Secretary asked for a change in this rule. It was moved by Mr. Gerber and seconded by Mrs. Fulton that the new rule read that---"interim approval may be granted by the Chairman of the Board and the Executive Secretary after calculation by the Actuary, each case to be formally approved in the next regular meeting of the Board." The motion was unanimously approved.

The following question of membership was placed before the Board:

Membership for teachers employed under Chapter 207, Laws 1953, Montana Crippled Children's Association.

There is one teacher in Missoula and there are three in Billings under this program. The Association pays to the school board certain funds and the school board employs a teacher and pays her with a district warrant.

Question: Should she be required to belong to the Teachers' Retirement System?

Mr. Gerber moved that those teachers under school law employed as teachers in the Crippled Children's Program will be subject to membership and the proper payments be made by the school clerks to the extent of the salary paid by the school district, no matter what the source of those funds be--this rule to be effective July 1, 1954. Mr. Savage seconded the motion which was approved.

Two lists of F. H. A. and Veterans' Mortgages were presented, each representing about \$100,000. One was from the Union Bank & Trust Company and the other from the Northwestern Bank of Lewistown. Mr. Gerber moved that the purchase of the Union Bank listing be approved and that the purchase of

the Northwestern Bank listing also be approved after Mr. Young's approval of the listing. Mr. Gleason seconded the motion which was unanimously approved. The Secretary called the Board's attention to the fact that with this purchase the percentage of mortgages in the total investment portfolio would be 39.63 per cent.

Mr. Gerber moved that Mr. McKinny's salary, as accountant, be increased to the top of his salary schedule, namely \$5,000 per year. The motion was seconded by Mr. Gleason and unanimously approved.

Mr. Gleason moved the approval of the purchase of the following items of equipment at the approximate prices as listed.

- | | | |
|-----|---|----------|
| (1) | 1 - 16 inch three-speed fan | \$ 37.95 |
| (2) | Extension of enrolling card file,
including work-board section | 128.03 |
| (3) | Marchant Calculator
Model ADV | 447.25 |
| (4) | 1 Four-Drawer 8½ x 11 File Case
"Invincible" (green) | 88.65 |
| (5) | Secretary's Chair | 148.72 |

Mr. Gerber seconded the motion and at the same time suggested that the Secretary get information as to the cost of an air-conditioning unit for the office. The motion received unanimous approval.

The expense budget estimate for 1954-55 was presented totaling \$33,226. Mrs. Fulton moved the approval of the budget and Mr. Gleason seconded the motion which was unanimously passed.

Applications for disability.

1. June Logan Turmell, Park County.

It was moved by Mr. Gerber to approve the application with payment to begin in July, 1954. After a second by Mrs. Fulton, the motion was unanimously approved.

2. Frances Colarchik

Mrs. Fulton moved the approval of this application, payment to begin in July, 1954. The motion was seconded by Mr. Gleason and given unanimous approval.

Application for Survivor's Benefit.

Member's name - Goldie Goodrich Sack, payable to Dale Goodrich, nephew.

Mr. Savage moved that payment of this application be approved beginning in July and Mrs. Fulton seconded the motion which was unanimously approved.

The following list of applications for retirement was presented. Mr. Gerber moved that approval be granted for payment in July, 1954, after the actuary made the calculations of the benefits. Mr. Savage seconded the motion which had unanimous approval.

1. Jessie A. Aiken	Yellowstone
2. Merle Everson Albrecht	Powder River
3. Mollie Alshire	Silver Bow
4. Marian B. Conn	Flathead
5. Rose Crenshaw	Wheatland
6. Olive L. Cory	Park
7. Maggie L. Connolly	Lake
8. David DeLap	State College
9. Clara Josephine Emerson	Dawson
10. Florence L. Green	Powell
11. Rudolph O. Hoffman	University of Montana
12. Helma Hunter	Beaverhead
13. Susie Huston	Garfield
14. Dora Jarrett	Musselshell
15. Mary Jesson	Sweet Grass
16. Hazel Dell Joslyn	Fergus
17. Tena Kallander	Lewis & Clark
18. Katherine Kuhnes	Broadwater
19. Frances Madson	Sanders
20. C. W. Leaphart	University of Montana
21. Rose McGuire	Yellowstone
22. Gertrude McConnell	Jefferson
23. Elma B. Monson	Toole
24. Jessie M. Morgan	Ravalli
25. H. G. Merriam	University of Montana
26. Eleanor McGilvry	Ravalli
27. Olga Pagel	Yellowstone
28. Alice Pemberton	Yellowstone
29. Cora A. Poole	Wheatland
30. Thomas C. Spaulding	University of Montana
31. Mrs. Gladys Smith	Toole
32. Rose Rhoades	Lake
33. Warren Stegner	Hill
34. Ethel W. Strickland	Roosevelt
35. Velma Stuart	Blaine
36. Fred Scudder	Ravalli
37. Anne Sanders	Gallatin
38. Mrs. Cora Thackrey	Madison
39. Elizabeth Terry	Lake
40. Florence Utermole	Sweet Grass
41. Clara Vath	Cascade
42. W. W. Wahl	Lewis & Clark
43. Eline A. Warren	Petroleum

44. George B. West
45. Nora Chesley

Cascade
Toole

The date and hour of the next meeting were set as September 18, 1954, at 1:00 p.m. on a motion made by Mr. Gerber and a second by Mr. Gleason. The motion was approved.

The meeting was adjourned at 3:00 p.m. on proper motion and second.

Mary M. Condon
Chairman

Robert A. Harper
Executive Secretary

Handwritten:
Sept 29, 1954

Executive Secretary's Report

June 5, 1954

As we draw close to the end of the fiscal year I would like to mention that, for the first time in our history, we have been able to run an inventory of the members' accounts at the end of each month. This has been partially the result of having employed a half-time posting clerk last fall. The accountant, Mr. McKinny, has installed a tighter system of control on Annuity Savings Fund accounts and is balancing out each month.

Arrangements have been made to employ Mary Jo Morton, a former employee, again for the summer months to assist with the added details required with the closing of the fiscal year and the preparation of the Biennial Report. The first rough draft of this will be ready for your inspection at the September meeting.

All field work was terminated for the school year on my return from the engagement at Ballantine with the Huntley and Worden teachers. On the return trip, however, I was invited to speak to the State College Faculty in Bozeman, discussing "Social Security and Teachers' Retirement".

We have prepared a list of our F. H. A. and V. A. Housing Mortgages listed by geographical location. You might be interested. It is divided in two parts: First, -- Union Bank only: Second, -- all other servicing agencies.

Locations of FHA & VA Housing Loans

Union Bank & Trust Company

Helena	57	Billings	44
Bozeman	26	Glendive	12
Three Forks	9	Townsend	9
Plentywood	8	Superior	5
Boulder	4	Hamilton	2
Livingston	2	Manhattan	2
Roundup	2	Polson	2
Wolf Point	2	East Helena	2
Kalispell	2	White Sulphur Sp.	2
Columbia Falls	2	Deer Lodge	1
Corvallis	1	Scobey	1
Malta	1	Belgrade	1
Sidney	1	Whitefish	1
Havre	1	Cut Bank	1
Dillon	1	Hinsdale	1
Glasgow	1	Libby	1
Elliston	1	Ronan	1
Dillon	1	Hardin	1
Outlook	1		
Total	212	\$1,328,000.00 Invested	
		6,265.00 Average	

as of
March 10, 1954

FHA & VA Housing Locations (other agencies)

as of March 10, 1954

Great Falls	78	Anaconda	61
Billings	71	Helena	60
Bozeman	37	Glendive	15
Townsend	9	Three Forks	9
Plentywood	8	Superior	5
Laurel	5	Cut Bank	3
Boulder	4	Conrad	3
Livingston	2	Scobey	2
Manhattan	2	Roundup	2
Dillon	2	Polson	2
Wolf Point	2	East Helena	2
Kalispell	2	White Sulphur Spr.	2
Columbia Falls	2	Deer Lodge	1
Corvallis	1	Malta	1
Belgrade	1	Sidney	1
Whitefish	1	Havre	1
Hinsdale	1	Glasgow	1
Libby	1	Elliston	1
Ronan	1	Hardin	1
Outlook	1	Choteau	1
Fort Benton	1	West Yellowstone	1
Total	406		

\$3,022,410.00 Invested
7,445.00 Average

I have requested several pieces of equipment later in the meeting. The fan is important since it was found that the one purchased last year for the large room was not big enough and we need one for the Secretary's room. We need both the enrolling card file and the letter file because of present crowding. The calculator request is based on obtaining a faster operating machine for interest calculations and the chair purchase is to replace my chair which is getting pretty badly worn.

TEACHERS' RETIREMENT BOARD MEETING

September 18, 1954

In attendance were the Chairman and the following Board members: Mr. Savage, Mrs. Fulton, Mr. Gerber and Mr. Gleason, also the Actuary and the Executive Secretary. Just before convening the meeting Miss Condon was called from the room so Mr. Savage, the Vice-Chairman, called the meeting to order at 10:10 a.m..

This being the first meeting of the new fiscal year, Mr. Gerber moved that the present officers of the Retirement Board be continued as they are. Mrs. Fulton seconded the motion which was unanimously approved.

Mr. Gerber moved the approval of the minutes of the June 5 meeting and Mr. Gleason seconded the motion which was unanimously approved.

The monthly financial reports were distributed.

The Executive Secretary read his report and Mr. Gleason moved that the report be approved. Mrs. Fulton seconded the motion which was given unanimous approval.

Mr. Gerber moved that the following payrolls for the months of October, November and December, 1954, be approved in the sums indicated.

Pension	\$ 53,000.00	per month	(approximately)
Office	2,150.00	per month	(approximately)

Mrs. Fulton seconded the motion which was unanimously approved.

Miss Condon returned to the Chair at this point.

The Secretary reported that the cost of increasing pensions to those now retired on the basis of years completed over thirty-five (35) years, prior to age sixty, would be approximately \$4,144.77 per year.

Mr. Gleason moved to approve future pension payments, beginning October 1, 1954, on the basis that all service should be credited in calculating pension payments until both requirements have been met, namely, the minimum age of sixty (60) and thirty-five (35) years of service. Mr. Gerber seconded the motion which was given unanimous approval.

A request for F.H.A. Servicing Agreements with the following institutions was considered.

Great Falls Building and Loan Association
H. C. Boucher, Vice President

Exchange State Bank, Glendive, Montana
George C. Johnson, President

A motion was made by Mr. Gleason to approve the signing of a Servicing Agreement

with each institution. Mr. Savage seconded the motion which was approved.

A request from Dr. R. R. Renne and Dr. L. O. Brockman for information pertaining to amounts of benefits being paid retired persons was read. It was moved by Mr. Savage that the Presidents of the University units (or representative) be invited to attend a future meeting of the Board to further discuss their request. Mr. Gleason seconded the motion which was approved.

Mr. Gleason moved the purchase of F.H.A. offerings as follows:

Union Bank & Trust Company	\$	101,921.10
Great Falls National Bank		103,011.09

The motion was seconded by Mr. Savage and approved.

It was moved by Mr. Savage and seconded by Mr. Gerber to approve the purchase of the following Bonds:

White fish School District No. 44	\$	30,000.00
Thompson Falls School Dist. No. 1		20,000.00
Both to yield 2.7%		

The motion was seconded by Mr. Gerber.

It was moved by Mr. Savage that money coming available between now and the next meeting be invested in United States Government Bonds, subject to approval by the Finance Committee. Mr. Gerber seconded the motion which was unanimously approved.

A discussion of possible legislation followed and as a result it was moved by Mr. Savage that the Secretary be instructed to prepare separate bills on each subject discussed and submit them to the next Board meeting for approval or disapproval. Mr. Gleason seconded the motion which was approved.

It was moved by Mr. Gleason and seconded by Mr. Gerber to approve the following list of interim retirements. The motion was unanimously approved.

Grace Marshall	Richland	\$	109.33	
A. I. Sugg	Missoula		117.23	
Anne Coleman	Silver Bow		157.78	
Ann Rohan	Powell		62.11	
Catherine Nutterville	State Dept.		202.88	(option #2)
R. H. Jesse	Univ. of Montana		119.56	(option #3)
Marjorie Arnold	Missoula		45.58	
Katherine Sullivan	Butte		150.10	
Eugene Powell	Blaine		60.90	
Myrtle Lockhart	Hill		63.70	

Mrs. Fulton moved to approve the disability application of Irving Andreason. Mr. Gerber seconded the motion which was approved.

Mr. Gerber moved approval of the survivor's benefit for Edward T. Nobles on the account of Edith Nobles and the benefit to Ruth Teel on the account of Stanley Teel, if and when the application is received. Mr. Gleason seconded the motion which was approved.

Mr. Savage moved to approve the following applications for retirement. Mrs. Fulton seconded the motion which was unanimously approved. The benefits are to be computed by the Actuary.

Elizabeth Braddock	Vested Right
Elnora Hansen Fee	Vested Right
Elizabeth Kelly	Silver Bow
Mrs. Elizabeth Pierce	Lewis & Clark
Jessie Murphy	Lincoln
Paul C. Phillips	University of Montana
Jessie Phillips	Park
Ella Finkbeiner	Carter
Catherine B. Edwards	Yellowstone
Stella Myers	Fergus
Ruth Wagner	Missoula

The next meeting of the Board was set for December 11, 1954, at two o'clock in the afternoon.

The meeting was adjourned on proper motion and second.

Mary M. Condon
Chairman

John H. Kinn
Executive Secretary

Executive Secretary's Report

September 18, 1954

I presume you have all received copies of the Bank Examiner's Report. His examination was concluded in late July and I hope the report meets with your approval.

In the June, 1954, Meeting you asked me to obtain information as to the cost of air conditioning. It would appear that $3\frac{1}{4}$ H.P. Units @ \$289.95 each and one $3\frac{3}{4}$ H.P. Unit @ \$359.00 would be required. The list price of these would be \$938.90 less 15%. The net price would be \$798.07. Booklets describing the units are herewith presented.

Of the equipment purchases authorized in the last meeting, all have been delivered except one--that being the new Enrolling Card Files which are direly needed and we hope will be here in a few days. I'm now told they are due about September 30.

In preparation for the Biennial Report we have punched 7256 I.B.M. cards and turned them over to Mr. Young. Because of heavy summer work and vacation schedules, the Report is not entirely completed but I have outlined it as follows and present it for your suggestions and criticism:

Page 1	Cover Sheet
Page 2	Chairman's presentation letter to Governor Secretary's explanation of terms.
Page 3	Actuary's comments
Page 4	Total Income & Disbursements
Page 5	Assets & Liabilities, (including non-ledger items)
Page 6	Administration Income & Disbursements
Page 7	Membership statistics
Page 8	Retirement Statistics
Page 9	Federal Bond Holdings giving percentages of Real Estate Mortgages, FHA & Vets' Loans
Page 10	Other Bonds & Registered Warrants

During the closing weeks of Congress two major pieces of legislation were approved effecting Retirement Systems, the details of which have not as yet sifted down to us but first: Exemption was granted for up to \$1,200 income, for teachers over sixty, for income tax purposes if the income was received from a state retirement plan--for other persons and income from other sources, over age sixty--five.

Second: HR 9366 was approved as the bill liberalizing the Social Security benefits and changing the arbitrary exclusion feature (Sec. 218 D) to one providing that all persons covered by state or local plans could be included by Social Security only if an election were held and that at least a majority of the eligible voters were in favor of the Federal coverage. All of the Senators and Representatives in Congress were very cooperative in assisting in having the Bill worded to give ample protection. This liberalization of the

Social Security program may bring a desire on your part to discuss possible legislation for 1955, so I have listed such a topic in the Agenda.

An interesting fact was revealed by a tally we recently made. Of the teachers in public schools we find:--

69% are women
31% are men

Of the women, 51% are married.

In the University Units: --

27% are women
73% are men

Of the women in this group 41% are married.

All teachers - Public School and University.

65% are women
35% are men

Of the women 51% are married.

Our delinquent F.H.A. mortgage in Roundup (John Crosman) remains delinquent but is nearing a conclusion by the sale of the property.

We now have another delinquent case out of the Great Falls National Bank in Great Falls, one James W. Barnes--a case of a split family. No action on your part is apparently indicated so I did not list them in the agenda.

In the first case, being out of work and drinking seem to be the major factors, but also this seems to be the case most likely to be settled first and most easily.

In the latter case, a split family is the major cause. This one may cause some trouble, but in neither case will there be a loss of money.

In the field of Investment, I'm glad to report that our Biennial Report will show that our F.H.A. holdings were 38.84% of our portfolio--well within our legal limit. Due to heavy paying off of mortgages and some Bond redemptions this summer, we have about \$270,000.00 available for early investment. The subject is listed in the Agenda and it should also be borne in mind that plans for about \$300,000.00 in Bond purchases should be outlined for the fall months.

My plans for outside activities in the fall months include:

Estimates in Troy and Libby and a general discussion in Eureka
Coverage by Mr. McKinny of the Billings M.E.A. and Glasgow M.E.A.
fall meetings.

I have been invited to talk to a "Work-Shop Group" in Helena, October 29. (M.E.A. Meeting).

I presume that we will have your permission to employ a part-time posting clerk from Carroll College as we did last year with such success.

Executive Secretary's Report

December 11, 1954

The staff was truly shocked by the sudden passing of Mr. Harper. His absence in our every day living has been deeply felt. To us he was not only our immediate superior but a near and dear friend. He was a wonderful person to work for and we all feel we have been fortunate to have had our association with him.

We have had several letters from retired teachers and from his associates in the National Council on Teacher Retirement expressing their condolences for our loss. I think it would be nice to give some of them to Howard Harper, Bob's brother in Two Dot.

The extra work caused by Bob's demise has been alleviated by Mrs. Morris working full time--this is a temporary arrangement--and by myself and other members of the staff working extra hours. At this time, we are not behind in any of our tasks. Mr. Harper had hired a Carroll College student, Dale Creel from Helena, to help with the posting; thus, all contributions are currently being posted to the individual accounts as fast as they are received.

Mr. Harper traveled to Lincoln County October 11-15 for a speaking engagement in Eureka and for personal interviews with the teachers from Troy and Libby. He was able to help a large number of teachers in completing their records, showing that the trip was vitally needed.

Mr. Harper was again queried on Social Security at a meeting with the University faculty and he also had a discussion on retirement with the Missoula County High School faculty.

At the M.E.A. convention in Helena, Mr. Harper spoke to a "Work-Shop Group". I attended the conventions in Billings and Wolf Point. I always have a large number of inquiries at the northeastern convention. On December 2 I held personal interviews with the teachers in Cascade filling an engagement for Mr. Harper which was originally set for the 18th of November.

Our two delinquent mortgages, Crosmer (VA) with the Union Bank & Trust Company and the Barnes account with the Great Falls National Bank, are still in default. The Crosmer case has not reached a decision as yet because Crosmer has apparently found a buyer and is in the process of winding up the sale. The Barnes' case has been turned over to the Attorney General's office and Mr. Leapart is handling it for us. He is attempting to secure a quit claim title to the property and he should be successful as he informs us that any increment we receive above the satisfaction of the mortgage will have to be turned over to the Barneses. There is no danger of the System losing money because the bank already has secured a buyer offering \$3,000 over the amount of the mortgage. If Barnes does not agree to this procedure, we will have to foreclose which requires a waiting period of one year. In this event the Federal Housing Administration would pay \$75 which should cover the cost of foreclosure.

Since the last meeting of the Board the following investments have been made:

\$ 194,878.68	F.H.A. Loans
57,154.23	Municipals
200,000.00	U. S. Treasury Bonds

At the end of this month, Jessie McKenna, our posting clerk, completes her twenty-fifth year of employment with the System. She began her employment January 1, 1929, under the old System.

RETIREMENT BOARD MEETING

December 11, 1954

The meeting was held in the offices of the Teachers' Retirement System in the Mitchell Building in Helena. The Chairman, Miss Mary M. Condon, called the meeting to order at 2:05 p.m.. Others in attendance were the Vice-Chairman, John L. Savage, Mrs. Anna L. Fulton, Raymond A. Gerber, J. L. Gleason, the Actuary--Floyd E. Young and the acting Executive Secretary--J. Hugh McKinny.

Before the minutes were approved, Mr. Savage clarified his position in regard to retroactive payments for teachers already retired and who did not receive credit for the years of teaching they had served over thirty-five but under sixty years of age. He did not wish to change his vote.

Mrs. Fulton moved that the minutes of the September 18 Board meeting be approved. Mr. Savage seconded the motion and the minutes were given unanimous approval.

The monthly financial statement was examined and discussed after which Mr. Savage moved that the financial statements be approved, seconded by Mr. Gerber and approved by the entire Board.

The Biennial Report was then placed before the Board for consideration. After a general discussion on Social Security, it was decided to alter "The Actuary's Comments" to include an opening paragraph for a clearer "tie-in", a comparative example case and a statement regarding the future need for an increased employers' contribution.

Mr. Savage then moved for approval of the Biennial Report subject to the above mentioned additions and final review by Miss Condon. It was seconded by Mr. Gleason and given unanimous approval.

Miss Condon suggested that the members of the Board contribute money for flowers for Jessie McKenna as a gesture of thanks for her twenty-five years of service, the flowers to be delivered to the office. Mr. Gerber placed the motion to the Board and Mr. Gleason seconded it and the collection was made.

Mr. Gerber moved approval of the estimated retirement payroll postponing action on the office payroll until further on the agenda. It was seconded by Mr. Savage and approved.

The Board then began a general discussion of the legislation proposed at the September 18 Board meeting. Mr. Gerber then moved that the proposal for increasing the employer contribution from $3\frac{1}{2}$ per cent to 5 per cent be deferred but that it should be called to the attention of any interested persons that the need for such action is apparent and would have to be taken in the future. Mr. Savage seconded the motion.

Mr. Savage moved to defer action on the removal of the salary ceiling because of general opposition by other interested parties. Mr. Gerber seconded

the motion.

It was then moved to defer action on changing the pension rate from 1/140 to 1/120 of the salary for each year of service and on raising the minimum retirement benefit from \$50 to \$75 per month for twenty-five years of service, because, without an increase in employer contribution, these changes would draw too heavily upon our reserves.

Mr. Savage then moved that the provision for benefits for surviving minor children be adopted with the provision that the member must be in active service at the time of death. Mr. Gerber seconded the motion and it was given unanimous approval as were all the motions concerning legislative proposals.

The Board then moved on to "New Business", first taking up the fixing of the interest rate for the annuity savings accounts. The interest earnings having been 2.75 per cent for the past year, Mr. Gleason moved that the present interest rate of $2\frac{1}{2}$ per cent remain for this fiscal year. Mr. Savage seconded the motion and it was given unanimous approval. Mr. Savage then moved the purchase of the following F.H.A. and V.A. Housing Loans,

- | | | |
|---------------------------|----|------------|
| 1. Streeter Brothers | \$ | 55,000.00 |
| 2. Union Bank & Trust Co. | | 100,000.00 |
| 3. Great Falls Nat'l Bank | | 95,000.00 |

with the exception of the Jack E. Mitchell mortgage in the listing from the Union Bank, and that any remaining available funds be invested by the Investment Committee in U. S. Treasury Bonds or Montana Municipal Bonds if available. Mr. Gleason seconded the motion. Unanimous approval followed.

Mr. Gleason moved that in the event foreclosure becomes necessary, permission be given for the Attorney General's office to hire the Great Falls National Bank's attorney to handle the Barnes' case and that no more than \$75 be allotted for fees. Mr. Gerber seconded the motion and the entire Board concurred. Mr. Gerber moved the refusal of permission to Art Hoverland, of the State College, to pay into the System on that portion of his salary paid by the Federal Government, with instructions to the Secretary to inform him of past policy contrary to such approval. Mrs. Fulton seconded the motion and it was given unanimous approval.

Mr. Gerber then moved that Hugh McKinny should proceed to obtain a Notary Public commission and Mr. Savage seconded the motion which was approved unanimously.

Mr. Gerber placed the motion for the approval of the following interim retirements:

- | | | | | |
|--------------------|-----------------|----|--------|-------------|
| 1. Lena E. Mahrt | Ravalli | \$ | 83.30 | (option #2) |
| 2. Walter E. Scott | School of Mines | | 198.56 | |
| 3. Nora Bennett | Mineral | | 115.52 | (option #2) |

Mr. Savage seconded the motion.

Mrs. Fulton moved the following retirement applications be approved:

- | | |
|------------------------|-------------|
| 1. Virgil Carmichael | Musselshell |
| 2. Frank Kelly | Richland |
| 3. Margaret Cruikshank | Phillips |
| 4. Xoa Daugherty | Lake |

Mr. Gerber seconded the motion.

Mr. Gerber moved the approval of the disability application of H. E. Hamper of Deer Lodge County. Mr. Gleason seconded the motion. All motions pertaining to benefits were given unanimous approval by the Board.

Mr. Young suggested the adoption of standard disability medical reporting forms as used by all insurance companies and showed copies of forms. Mr. Savage moved the adoption of the form by the System. Mrs. Fulton seconded the motion with unanimous approval following.

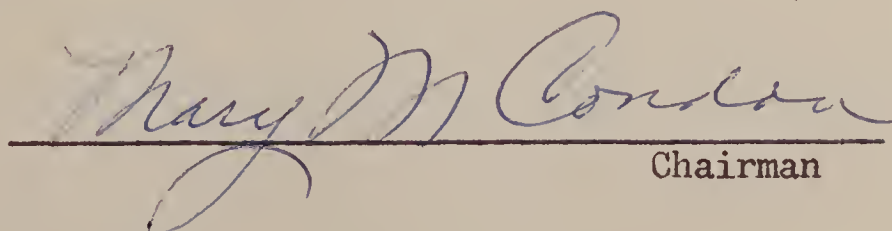
The next meeting of the Board was tentatively set for either of the last two Saturdays in March. Mr. Gerber placed the motion and Mrs. Fulton seconded it.

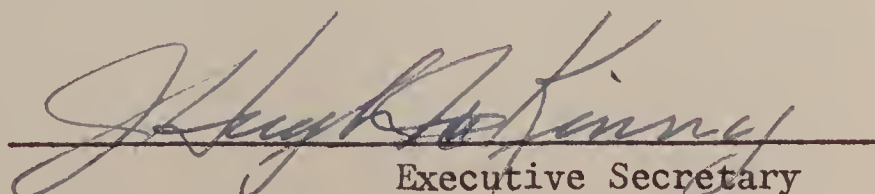
The Board at 3:45 went into executive session which ended at 4:05. Following the executive session Mr. Gerber moved that J. Hugh McKinny assume the duties of Executive Secretary of the Teachers' Retirement System as of November 18, 1954, for a period of one year at a salary of \$5,500.00 per year. Mrs. Fulton seconded the motion.

Mr. Gerber moved the hiring of an assistant at a salary rate of \$4,500.00 per year to \$4,800.00 per year, depending on qualifications and experience. Mrs. Fulton seconded the motion which was approved. Mr. Gerber moved that the full-time clerical employees be given a salary increase of \$20.00 per month and that Mrs. Morris be fully paid for all over-time work. Mrs. Fulton seconded the motion.

Mr. Gleason then moved approval for the Executive Secretary to attend the National Council on Teacher Retirement meeting in St. Louis, February 23, 24 and 25, depending on the progress of the legislation. Mrs. Fulton seconded the motion. All motions made were given unanimous approval.

Mrs. Fulton then moved the meeting adjourn. Mr. Savage seconded the motion, which was approved. The meeting adjourned at 4:23 p.m..


Chairman


Executive Secretary

RETIREMENT BOARD MEETING

March 19, 1955

The meeting was called to order at 10:00 a.m. by John Savage, Vice Chairman. Those in attendance were Mrs. Anna L. Fulton, J. L. Gleason, Raymond A. Gerber, and the Actuary--Floyd E. Young and the Executive Secretary--J. Hugh McKinny. Mr. Savage acted as Chairman in the absence of Mary M. Condon who was unable to attend because of a previously scheduled meeting in Tampa, Florida.

Mrs. Fulton moved for approval of the minutes of the December meeting and Mr. Gleason seconded the motion which was unanimously approved.

The Executive Secretary read his report and Mrs. Fulton moved the adoption. Mr. Gerber made the second and the report was approved.

The Secretary's report on the National Council on Teacher Retirement meeting led to a short discussion on investment in corporate bonds and the comparison of our investments with other public and private retirement systems. It was pointed out that even though such investments would increase our earnings, we are limited by law to invest in U. S. Treasury Bonds and general tax obligations.

Mr. Gerber moved approval of the estimated retirement and office payrolls. The motion was seconded by Mr. Gleason and approved.

The Board then took up the review of "Old Business". A short discussion followed on the recent legislation which affected the System. HB 36 (allowing survivorship benefits for minor children of deceased members), which the Board sponsored, passed the legislature and was signed by the Governor. This bill will become effective July 1, 1955.

Since we have been unable to locate James W. Barnes and since he has done nothing to bring his delinquent mortgage up-to-date, Mr. Gleason moved that the Board instruct the Great Falls National Bank to begin foreclosure proceedings to secure satisfaction of the mortgage. Mrs. Fulton seconded the motion which was unanimously approved.

No action was necessary on the Crosmer mortgage as it has been brought up-to-date. The Secretary informed the Board, however, that he would continue to watch the progress of the loan.

A review of the investments of the past quarterly period followed. The Board proceeded with "New Business". Mr. Gleason moved that Alice Kraft's request, to purchase out-of-state service as Supervisor of Public School Nurses, be allowed, as her counterpart in Montana could get credit in our System for like service. Mrs. Fulton seconded the motion which was given unanimous approval.

Harriet Cushman's request, to teach three hours per week for the spring quarter, as a substitute instructor at the State College and still remain on the retirement rolls, was approved with the instruction that substitute

teaching was not to exceed a month at any one time. Mr. Gerber made the motion, Mr. Gleason seconded and the Board gave its unanimous approval.

Mr. Gleason moved the purchase of the following F.H.A. and VA mortgage loan offerings:

- | | |
|-------------------------------|--------------|
| 1. Streeter Brothers | \$ 60,000.00 |
| 2. Union Bank & Trust Company | 150,000.00 |
| 3. Great Falls Nat'l Bank | 125,000.00 |

The remaining funds are to be invested by the Investment Committee in U. S. Treasury Bonds, maturity date, 1995, at 3% interest, and Montana Municipal Bonds if available. Mr. Gleason seconded the motion which was unanimously approved.

Mr. Gerber moved the following interim retirement applications be approved:

- | | | |
|----------------------|--------------|-----------------|
| 1. Agnes Mikkelson | Jefferson | \$ 35.51 |
| 2. Harriette Cushman | St. College | 131.15 |
| 3. A. B. Cole | Missoula | 124.52 |
| 4. Ferne Kimball | Custer | 105.25 |
| 5. Grace Foote | Vested Right | 32.76 option #3 |

The motion was seconded by Mrs. Fulton and unanimous approval followed.

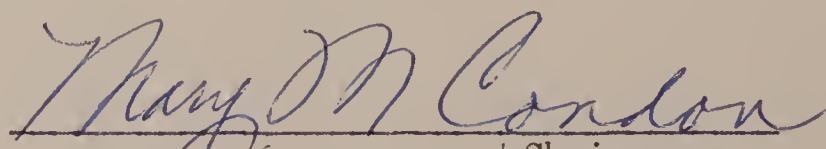
Mr. Gleason moved the following disability benefits be approved with payments to begin at the date when the disability forced them to cease teaching. Mrs. Fulton seconded the motion which was unanimously approved.

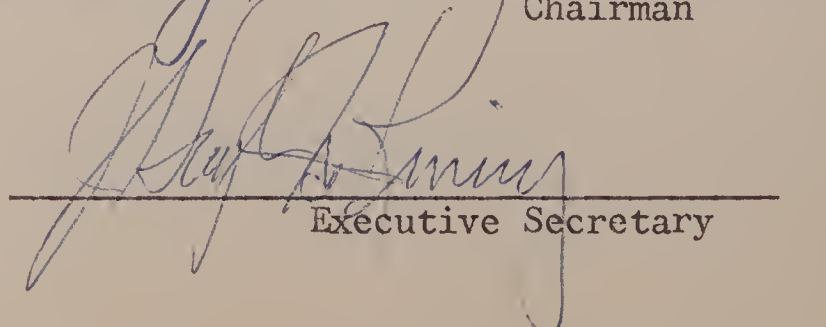
- | | |
|-----------------|-----------|
| 1. Mildred Hull | Missoula |
| 2. Julia Box | Wheatland |
| 3. Clara Kiel | Chouteau |

The Board was then joined by the Retirement Committee of the M.E.A.. This included Miss Theo Smith of Helena and Mr. Rial Cummings of Plains. Mr. Gerber is also a member of that committee. The two groups discussed Social Security and HB 273. Since HB 273, in its final form at passage, had not been available to either group and that some apparent legal points would have to be solved, no action was taken in regard to the bill.

The next Board meeting was set for Saturday, June 4, at 10:00 a.m..

At twelve o'clock noon, Mr. Gerber moved the meeting adjourn. Mr. Gleason seconded the motion which was approved and the meeting adjourned.


Chairman


Executive Secretary

Executive Secretary's Report

March 19, 1955

In the Retirement Office all work is progressing as it should be. The posting is up-to-date and we are now beginning the process of calculating the interest payment for the individual accounts to be posted at the end of the fiscal year.

Mr. Spraycar, who started working here January 1, is breaking in satisfactorily and I think he will be a big help to us. He previously taught school in Absarokee and worked two years for the Federal Reserve Bank in Helena. He is a veteran, aged twenty-nine, is married and they have one child. His beginning salary is \$4,000.00, which was his salary at the bank, and I assured him that he would be raised to \$4,200.00 annually after a three-month conditional period.

In February, Mrs. Conn left our employment to get married. She had been ill through the latter part of December and first part of January. It was necessary to hire part-time help to move the work on her desk at that time.

Mrs. Lola Lee took over the duties of record clerk the first of February. She is married, has a daughter aged seven and was previously a telegraph operator for the Great Northern Railroad. I'm sure she will prove her worth. Her beginning salary is \$175 per month.

Miss McKenna was deeply moved by the gift of the flowers for her twenty-fifth anniversary of employment in this office. She wishes me to thank you sincerely for your kind expression of appreciation.

The Barnes mortgage (delinquent F.H.A. mortgage) has not changed. Neither the bank nor myself have been able to locate Mr. Barnes. I suggest that we begin foreclosure proceedings now, even though we have been unable to contact him, as Mr. Barnes has done nothing that would alter that decision.

The Crosmer mortgage (delinquent VA loan) has been brought up-to-date. Mr. Crosmer has rented the house and is turning over the rent money toward delinquent payments and making his regular payments besides. I shall, however, continue to watch the case.

In attending the meeting of the National Council I found that the move towards Social Security by the states is slowing down. The weaker systems have been covered now and the stronger systems are firm in their stand against it.

Before I left, HB 36 had passed the Senate Committee-of-the-Whole and Senator Robbins, Chairman of the Senate Social Security Committee, assured me that HB 273 would never come out of committee. This proved wrong as the pressure on HB 151, with the help of the University faction, moved the bill out of committee with the do-pass recommendation.

I spoke to a meeting of the Upper Valley Schoolmasters' Association in Columbia Falls on February 15. This group included all the male teachers in the Kalispell-Columbia Falls area. I also made arrangements to speak to the M.E.A. Local in Ronan on the same day. These meetings point out the need of getting more information on our System to the teachers. I hope to attend more of them and also get more information on retirement into the hands of the teachers.

In the immediate future, I have been invited to appear at two meetings in Great Falls--the first with the Teachers' Association on April 11, and the second at the Leadership Training Conference on April 30.

W. N.
7-16-55

RETIREMENT BOARD MEETING

June 4, 1955

The meeting was called to order at 10:15 a. m. by the Chairman, Miss Mary Condon. In attendance were Mrs. Anna L. Fulton, Mr. Raymond A. Gerber, and the Actuary--Mr. Floyd E. Young and the Executive Secretary--Mr. J. Hugh McKinny.

On a motion by Mrs. Fulton and a second by Mr. Gerber the minutes of the March 19 meeting were approved as presented. The motion was unanimously approved.

The monthly financial reports having been distributed and the Executive Secretary's report presented, a motion to accept them was made by Mr. Gerber and seconded by Mrs. Fulton. The motion was approved.

Following the Executive Secretary's report was a discussion on the possibility of further benefits for the beneficiary of John Swackhamer. Mr. Swackhamer had not taught ten years in Montana but had sufficient military service credit to make his retirement credit amount to $10\frac{1}{2}$ years. On a motion by Mr. Gerber and a second by Mrs. Fulton, the Executive Secretary was instructed to secure the Attorney General's opinion on whether the military credit could be allowed as teaching service in Montana.

A motion was made by Mr. Gerber and seconded by Mrs. Fulton to approve the payrolls for the third quarter, subject to such additions as approved at this meeting, at the following rates:

Pension	\$	54,000.00	per month	(approx.)
Office		1,910.00	per month	(approx.)

The motion was unanimously approved.

Old Business

The Barnes mortgage is now settled, with this office now holding clear title to the property. The Great Falls National Bank is now selling the house on the open market for a price near \$11,000.00 which will be about \$2,000.00 over the mortgage.

New Business

The Bank of Glacier County's request for a Servicing Agreement to sell us FHA and VA Housing Loans was presented on a motion by Mrs. Fulton and seconded by Mr. Gerber. The Executive Secretary was instructed to proceed in securing the Servicing Agreement. The motion was unanimously approved.

Three offerings for FHA and VA Housing Loans were presented--one each from the Union Bank and Trust Co, Helena, Montana; The Great Falls National Bank, Great Falls, Montana; Streeter Bros., Billings, Montana. Mr. Gerber moved

that the following offerings be approved. The motion was seconded by Mrs. Fulton.

Great Falls National Bank	\$ 118,000.00
Union Bank & Trust Company	164,000.00
Streeter Bros.	50,600.00

The motion was unanimously adopted.

Mr. Gerber moved the approval of the purchase of the following items of equipment at the approximate prices as listed:

10	Transfer Files	\$ 109.50
6	Pronto Check Files	21.60
1	Sign-O-Meter &	
3	Signature Plates	\$366.50
	Less Trade-in	<u>37.50</u>
		329.00
	Total	\$ 460.10

Mrs. Fulton seconded the motion which was unanimously approved.

The Executive Secretary requested the Board for permission to destroy "Remittance Sheets" for the period from 1937 to July 1945. These sheets are the original record of the teachers' contributions as sent in by the school clerks and they have been posted to the individual accounts. We will retain the individual records and the clerks have duplicate records of the contributions. Mrs. Fulton moved that the Executive Secretary request the Board of Examiners for permission to destroy these records. Mr. Gerber seconded the motion which was unanimously approved.

The following list of dormant accounts (those accounts on which no contributions have been made for ten years) were presented for transfer to the Pension Accumulation Fund as provided for in Chapter 216 of the 1953 Laws.

Aitken, Edward	\$ 7.20	McMurray, Mary H.	\$ 8.18
Allaby, Lois Shaner	4.09	Magar, Lois Coleman	19.53
Barrow, Alice	22.24	Martin, Elaine M.	11.17
Beal, John L.	582.36	Meeks, William Andrew	2.39
Campbell, Virginia	34.63	Nelson, Ellen Finn	19.51
Engle, Dorothy	13.30	Nightengale, George	552.97
Forgaard, Mrs. Earl	145.26	Olsen, Olive	4.10
Fulton, Jeanne	3.61	Paro, Norma	4.47
Gaffney, Geneva Pond	6.83	Rust, Mrs. Jean W.	322.42
Gross, Donald David	9.97	Sarver, Georgia	50.76
Hesselberg, Irene C.	613.75	Seberson, George	14.14
Jessen, Johanne	24.95	Severson, Mrs. Clara	87.66
Johnson, Edna	77.12	Simkins, Mrs. Ruth	137.20
Kapp, Fern V.	16.70	Summerhill, Florence B.	98.00
Karop, Helen N.	29.26	Voulkos, Mary H.	5.03
Keisling, Helen J.	31.20		
Lyda, Ida	68.11		

Mr. Gerber moved that the list of dormant accounts should be given to the press in an effort to secure the addresses of these people and that actual transfer be made at the next meeting. Mrs. Fulton seconded the motion which was unanimously approved.

It was moved by Mr. Gerber and seconded by Mrs. Fulton that the account of Morris B. Thomte be transferred to the Public Employees' Retirement System as he requested. His account covers four months of membership service and has a balance of \$72.45. The motion was unanimously approved.

It was moved by Mr. Gerber and seconded by Mrs. Fulton that the following salary adjustments for the coming year be adopted: - -

Harry J. Spraycar	\$ 4,400.00	per annum
Jessie McKenna	3,180.00	per annum
Elsie Wilcox	3,000.00	per annum
Lola Lee	2,400.00	per annum
Dorris Morris	1.60	per hour

The motion received unanimous approval.

The Expense Budget Estimate for 1955-56 was presented, totaling \$32,791.00. Mr. Gerber moved the approval of the budget and Mrs. Fulton seconded it. The motion was unanimously passed.

The following interim retirements and disability benefits were approved on a motion by Mr. Gerber and a second by Mrs. Fulton:

Mary Lee Johnson	Pondera	\$ 115.50
Ruth Nibbe	Big Horn	107.43
Etta Crowley	Phillips	63.93
Edith Harr	Custer	36.58 (disability)

The following applications for disability benefits to begin July 1, 1955, were approved on a motion by Mr. Gerber and a second by Mrs. Fulton:

John H. Lesselyong	Phillips
Conrad J. Sandvig	State College
Mary Oden Troy	Chouteau
Mary Harris Tait	Missoula

Mr. Gerber moved the approval of the following applications for retirement benefits to begin July 1, 1955, and that the applications of Clara Vath and Fern Fallon be submitted at the September meeting. The motion was unanimously approved.

1. Lulu V. Audet	Daniels
2. Edith Bray	Lewis & Clark
3. Catherine Elliott Casady	Fallon
4. Fay G. Clark	University
5. Walter L. Conway	Blaine
6. Hope S. Covington	Gallatin
7. Menta Leslie Crouch	Cascade

8. Christine Erickson	Granite
9. Earl Fairbanks	Daniels
10. Fern Fallon	Dawson
11. G. F. Freisleben	Sheridan
12. Lorena M. Greenfield	Ravalli
13. Clara B. Grothe	Chouteau
14. Alice Harmon	State College
15. Charles D. Haynes	Ravalli
16. Mrs. Norma Haynes	Ravalli
17. Georgina Hetherington	Cascade
18. Emily Hanson Hodgskiss	Teton
19. Alma C. Jacobson	Silver Bow
20. Nina Johnson	Beaverhead
21. Sarah Jane Jordan	Powell
22. Mayme F. Kurtz	Roosevelt
23. Edith LaVigne	Yellowstone
24. Lillian Lambrecht	Silver Bow
25. Toi Long Logan	Missoula
26. Pearl Matteson	Cascade
27. Gertrude C. Rathbone	Phillips
28. Carrie W. Sink	Beaverhead
29. Floyd F. Speaker	Park
30. May Sprinkle	Beaverhead
31. Bess V. Stone	Silver Bow
32. Charles L. A. Swatek	Phillips
33. Clara W. Vath	Cascade
34. Pattie Allen Wegel	Yellowstone
35. Gertrude A. Whipple	Yellowstone
36. Rose Sorensen	Roosevelt
37. Clara Whitney	State Dept.
38. Maude Darlington	Silver Bow
39. Emma Feeley	Silver Bow
40. Sarah Holmes	Jefferson
41. Winnifred Shannon	Chouteau

The date of the September Board Meeting was tentatively set for either the afternoon of the 17th or 24th.

The meeting adjourned at 11:45 a. m. on proper motion and second.

Mary M. Condon

 Chairman

Hayden Kinney

 Executive Secretary

Executive Secretary's Report

June 4, 1955

I have been called on to make several trips and give information about the System and about Social Security. Since the last Board Meeting I have been in Philipsburg, March 31; Columbia Falls, April 4; Thompson Falls, April 5; Plains, April 5; Great Falls, April 11; Belgrade, April 27; Great Falls, April 30; Shelby, May 9; Billings, May 16; Miles City, May 17.

On my first trip to Great Falls, the remainder of the week was spent in individual conferences with ninety-eight teachers. Retirement estimates for career teachers in Great Falls ran from \$170 to \$190 per month. The April 30th date in Great Falls was the meeting of the Classroom Teachers' Association of the M. E. A. and was attended by teachers throughout the state. I had two "Sections" there.

We will need little in the line of equipment this year. Our Check-Signer is worn out and should be replaced. We will need some transfer cases to store our older records and cancelled checks.

The budget on the agenda does not include any equipment purchases or any salary adjustments. The increase over last year is in travel and supplies. I expect to do a great deal of traveling throughout the state next fall. The supplies will have to include new "Briefs" to cover the latest amendment.

The first check on the new retirements shows that the straight-life options will average \$165 per month for thirty-five years service; \$140 per month for those with thirty to thirty-five years of service and \$93.55 for those with less than thirty years of service. The average benefit for those selecting other options will be about \$140 per month.

The Barnes' mortgage took a sudden change when (immediately after foreclosure proceedings began and long enough to get our name in the papers) Mr. Barnes sent in the signed copy of the deed. Then we had clear title to the property. I secured two appraisals of the value of the property which were \$11,000 and \$11,500. The Attorney General's Office told me we would have to get at least 90 per cent of the value on resale and that we could proceed to sell it on the open market.

The office work has been progressing nicely and our new help is very good. We are now processing our new retirements, making our normally large number of refunds and getting ready for the end of our fiscal year.

Our total assets are now over 10 million dollars with the PAF account over $2\frac{1}{4}$ million dollars. Five years ago our assets were less than 5 million and the PAF account was at \$500,000. The big increase in the last five years is, of course, due to the raising of the salary ceiling in 1949.

We have 32 accounts over 10 years old that can be transferred to the Pension

Fund. Only six of them are over \$100 and I intend to make another effort to contact those people. Of the original 160 accounts we transferred two years ago (totaling \$10,062.26), we now have remaining 92 with a total of \$4,970.77.

I also contacted the Governor for the purpose of having this office supervise any referendums that may be held for Social Security coverage for teachers. He informed me that all matters pertaining to Social Security will be handled by the Public Employees' Retirement System

L. D. Shuter, Chairman of the National Council on Teacher Retirement, has appointed me to the Membership Committee of the Council.

I have had several inquiries concerning death benefits for the survivors of Jack Swackhamer of the University faculty. Mr. Swackhamer's record consisted of 6 years teaching service in Montana and $4\frac{1}{2}$ years of military service which would allow his beneficiary only the refund of his deposits.

RETIREMENT BOARD MEETING

September 17, 1955

The meeting was called to order at 1:30 p.m. by the Chairman, Miss Mary Condon. In attendance were Mrs. Anna L. Fulton, Mr. Raymond A. Gerber, Mr. J. L. Gleason, Mr. John L. Savage, Mr. Floyd Young, the Actuary, and Mr. J. Hugh McKinny, the Executive Secretary

On a motion by Mr. Gerber and a second by Mrs. Fulton, the minutes of the June 4, 1955, meeting were approved as presented.

The monthly financial reports having been distributed and the Executive Secretary's report presented, a motion to accept them was made by Mr. Gerber and seconded by Mr. Savage. The motion was approved.

In order to deter the practice of some of the teachers withdrawing their accounts when knowing that they will again teach in Montana, Mr. Gerber moved that the teacher must furnish a signed statement from his/her superintendent or clerk stating he/she will not be teaching in that district the following year. The motion was seconded by Mr. Gleason and unanimously approved.

The annual report was presented and approved on a motion by Mr. Gerber and a second by Mr. Savage.

Mr. Savage made a motion that the actuary be instructed to include in his quinquennial report a statement of the financial soundness of the System and ascertain the amount of contribution needed by the Pension Fund to meet the needs of the future. Mr. Gerber seconded the motion which was unanimously approved. The Secretary was instructed to pay Mr. Young if any additional expense was involved.

Mr. Savage moved that the Secretary be instructed to make a statement on behalf of the Retirement Board for the M.E.A. Journal stating that The Teachers' Retirement System has taken no position in regard to the adoption or exclusion of supplemental Social Security coverage by the teachers of Montana; also, that the Secretary make no comments in the future concerning such coverage. Mr. Gerber seconded the motion which was unanimously adopted.

Mr. Gerber moved that the twenty-four (24) accounts which total \$1,786.43 and which had been dormant for ten (10) years be transferred to the Pension Accumulation Fund. The motion was seconded by Mr. Savage and was unanimously adopted.

After a short discussion it was decided, following a motion by Mr. Savage and a second by Mrs. Fulton, to approve the purchase of the real estate offerings from the Union Bank & Trust Co. (\$100,000.00) and the Exchange National Bank of Glendive (\$100,000.00), excluding those loans which mature after a twenty-five year period. The remaining funds were to be invested in U. S. Treasury Bonds, maturity date--1995, at 3%. The motion was unanimously approved.

It was unanimously decided that the System could not change the retirement option of Mr. Temple Bruner as it would be contrary to the teachers' retirement laws.

The Board next considered Hazel M. Johnson's request for a Vested Right. Mr. Young assured the Board that it could use the average of the four (4) years of membership contributions of Mrs. Johnson in figuring her average salary for a retirement benefit. Mrs. Fulton moved that Mrs. Johnson should be allowed a Vested Right in the System on her fifteen (15) years of creditable service--all in Montana. Mr. Savage seconded the motion which was unanimously approved.

Dr. Carl McFarland's request for the addresses and for a statement of amounts of the retirement benefits paid by the System to the retired faculty members of the State University was refused. The Secretary was instructed to write the retired faculty members explaining Dr. McFarland's request so that they, in turn, could contact Dr. McFarland personally.

Because Ethel Anderson's service record was insufficient to make her eligible for benefits, her application for disability was refused. The Secretary was instructed to refund her deposits.

In accordance with Mrs. Sarah Jane Jordan's explanation of the error in her birth certificate and with her certification records on file in the office of the Superintendent of Public Instruction showing her to be a year younger, it was unanimously decided to accept her birth date as December 12, 1885.

Mr. Gerber moved that the Secretary be permitted to use IBM equipment, rented by the Fish & Game Commission, in preparing the Pension Payroll. The Secretary was instructed to get written permission from the Chief Clerk of the Fish & Game Commission and follow their conditions of permission which stipulate that we use the equipment at their convenience and hire an operator approved by them. The operator is to be paid \$20 per month. The Secretary was also instructed to use window envelopes for the monthly pension checks. Mrs. Fulton seconded the motion which was given unanimous approval.

The following applications for disability benefit were approved on a motion by Mrs. Fulton and a second by Mr. Gerber:

Ida Buchholz	Lake	\$ 88.00	July 1, 1955
Jeanne Smith	Sanders	71.96	August 1, 1955

The following interim retirements were approved following a motion by Mrs. Fulton and a second by Mr. Gerber:

1.	Elva Bingham	Rosebud	\$ 175.28	
2.	Oliver Campbell	Gallatin	169.93	
3.	Leona Draeger	Chouteau	30.65	
4.	Alice Grant	Gallatin	106.27	
5.	Elizabeth B. Green	Fergus	88.77	
6.	Edythe Harris	Glacier	61.80	
7.	Lucy Krieman	Lewis & Clark	160.23	
8.	Grace Otis Leary	Cascade	171.29	
9.	Bessie Livingstone	Dawson	141.89	Option #2
10.	Hannah Lockhart	McCone	89.42	
11.	Frances Malicke	Powell	174.89	
12.	Leona Manning	Golden Valley	101.38	
13.	Edna Medsker	Powell	46.24	

14.	Clara Richardson	Teton	92.37
15.	Mary Taylor	Garfield	40.56
16.	May Vontver	Yellowstone	107.42

Mr. Gerber moved the approval of the following applications for retirement benefits and instructed the Secretary to write to the County Superintendent of Schools of Dawson County to find out if Fern Fallon is going to teach there this term before sending her a benefit check. Mr. Savage seconded the motion.

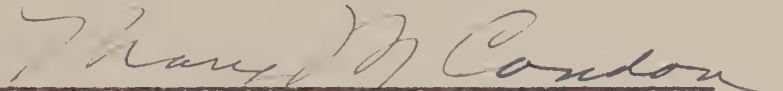
1.	Walter Ames	State University
2.	Alice Harmon	State College
3.	Fern Fallon	Dawson County
4.	Rexa Gresens	Custer County


All motions for disability benefits, interim retirements and retirement benefits were given unanimous approval.

The Retirement Board agreed that teachers employed in military service schools overseas could get credit for that teaching as out-of-state service providing they did not teach long enough to get retirement credit under Civil Service and also that they made the necessary contributions to this System.

The date and hour of the next regular meeting of the Board was set for December 10, 1955, at one-thirty o'clock in the afternoon.

The meeting adjourned at 3:50 p.m. following proper motion and second.


Chairman


Executive Secretary

EXECUTIVE SECRETARY'S REPORT

September 17, 1955

Mr. Alke, the deputy state examiner, began the examination of our books on July 7, 1955. This is the earliest we have ever been ready for him. Because of his schedule, however, he did not finish until August 3. You may have noticed that his report offered no suggestions or criticism. He suggested to me, however, that I try to get our pension payroll into an I.B.M. operation as it would save us a great deal of time and it would give a much better record of our payroll.

Our summer work progressed in fine fashion as Dale Creel elected to stay with us through the summer, thus giving us experienced help. He will also continue through the school term, on a part-time basis, helping us with the posting.

Our pension payroll has increased \$6,506.76 per month since the 30th of June. The overall average of the July additions was \$135.46. For those who elected the straight-life option, the average was \$128.50; for options, \$161.80 and the disability average was \$132.38. The overall average check for the month of August was \$81.67. This compares with \$76.68 as of the end of August, 1954. The average number of years of service was 32. This is an increase from previous years because we now acknowledge beyond 35 years in some cases.

Investments made since the last Board meeting are as follows:

\$ 150,000.00	U. S. Treasury Bonds, 1995
4,500.00	Yellowstone Co. Dist. #26 Bonds
215,000.00	FHA and VA Loans

We have also completed Servicing Agreements for the purchasing of FHA and VA Housing Loans with the Exchange State Bank of Glendive and the Bank of Glacier County of Cut Bank. The Exchange State Bank has sent us an offering.

The destructive hail storm in Billings caused extensive damage to property on which we hold the mortgages. To insure that the repairs are being made, the servicing agencies are holding up the payments from the insurance companies until the work is completed. Most of the insurance checks have been around \$500.

My travels this summer were limited to two trips. I spoke to a Work-Shop group at Eastern Montana in August and to the grade school teachers of Chouteau County in Fort Benton last week. With the help of Mr. Spraycar, we will cover four of the 1955 MEA Conventions.

RETIREMENT BOARD MEETING

December 10, 1955

The meeting was called to order by the Vice-Chairman, John L. Savage, in the absence of the Chairman, Mary M. Condon. Also in attendance were Mrs. Anna L. Fulton, Mr. J. L. Gleason, Mr. Floyd E. Young--the actuary and Mr. McKinny--the Executive Secretary. Mr. Raymond A. Gerber was also absent.

After a motion by Mr. Gleason and a second by Mrs. Fulton, the minutes of the September 17, 1955, meeting were unanimously approved.

The November financial statement having been distributed and the Executive Secretary's report presented, a motion to accept them was made by Mrs. Fulton and seconded by Mr. Gleason. The motion was approved. The proceedings of the thirty-second annual meeting of the NCTR were also distributed to the Board.

A motion was made by Mrs. Fulton to approve the payrolls for the first Quarter of 1956 subject to additions of the meeting.

Pension	\$	60,622.00	per month	(approx.)
Office		2,015.00	per month	(approx.)

Mr. Gleason seconded the motion which was unanimously approved.

The Board then moved to the business at hand, first taking up the fixing of the interest rate to be paid to the Annuity Savings Accounts. Mr. Young pointed out that even though our earning rate was 2.83%, he believed that the Board should retain the present payment of 2.5% because of the many years the System paid that amount and earned less. Mrs. Fulton moved that the interest rate payable be retained at $2\frac{1}{2}\%$. Mr. Gleason seconded the motion and it was unanimously approved.

Mr. McKinny reported that the System would have approximately \$600,000 available for investment during the coming quarter and presented the mortgage offerings of the Union Bank, The Great Falls National Bank and Streeter Brothers. All the offerings were at par. Since the market value of mortgages has been below par for some time, Mr. Gleason moved that the System should refrain from purchasing any mortgages at more than current market value and if the sellers wish to submit their offerings at the current rate, the Finance Committee should consider their offerings. Mrs. Fulton seconded the motion and it was unanimously adopted.

Mr. Gleason moved that the offering from Kalman & Co. of \$60,000 in par 3% Carter Co. Hospital Bonds be approved for purchase. Mrs. Fulton seconded the motion which was unanimously approved.

Mr. McKinny explained the need for an additional tray to facilitate the posting of the annuity savings accounts. Mr. Gleason presented a motion to permit the purchase of the additional tray. Mrs. Fulton seconded the motion which was unanimously approved.

Mrs. Fulton moved that the Executive Secretary be permitted to attend the NCTR Convention to be held February 16-18 in Atlantic City, N. J.. Mr. Gleason

seconded the motion which was approved.

The Board next took up Mr. Harvey Larsen's request for military service credit for his time spent in the service during the Korean conflict. Mrs. Fulton moved that since Mr. Larsen had been teaching in Montana prior to his recall to service and has returned again to Montana to teach, he should be given prior service credit for that military service. Mr. Gleason seconded the motion which was approved.

The Board was informed that an investigation as to the eligibility of those teachers who were on disability had not been made since 1953. Mrs. Fulton moved that the initial investigation should be started and that the cases should be scrutinized by the Secretary and any doubtful disabilities could be acted upon at a later meeting. Mr. Gleason seconded the motion and it was unanimously adopted.

The following interim retirements were approved following a motion by Mrs. Fulton and a second by Mr. Gleason:

1.	Frieda McIlheney	Vested Right	\$ 51.83
2.	Katherine Kuhnes	Fergus	107.21
3.	Marie Butler	Vested Right	86.18

Mr. Gleason moved the approval of Birdie Randall's application for survivor's benefit on the account of Katherine Westervelt, deceased, but held that we should solicit written approval by the Attorney General's office before accepting W. J. Mountjoy's claim for the benefits of the account of Opal Mountjoy, deceased. Mrs. Fulton seconded the motion and unanimous approval followed.

Mr. Gleason moved the approval of the following applications for disability and after a second by Mrs. Fulton the motion was approved.

1.	Blanche Walton	Valley
2.	Gladys Harris	Cascade

There were no applications for retirement benefits.

The date of the next Board Meeting was tentatively set for either March 10 or 17.

At this time Mr. Young reported a telephone conversation he had held with Mr. Gerber concerning Mr. Gerber's statement at the Bozeman MEA Convention and later published in the MEA Journal. A short discussion on supplemental Old Age and Survivor's Insurance and future legislation followed.

The Board adjourned at 3:20 p.m. on proper motion and second.

Mary M Condon

 Chairman

Ed G. Kinney

 Executive Secretary

EXECUTIVE SECRETARY'S REPORT

December 10, 1955

As of November 30, 1955, our investment totals and percentages were as follows:

Mortgages	\$ 4,034,704.75	39.6%
U. S. Treasury Bonds	4,869,961.26	48.0%
State of Montana	108,000.00	1.0%
Municipal Bonds	<u>1,171,886.52</u>	<u>11.4%</u>
	10,184,552.53	100.0%

Since the last meeting of the Board we have been able to pick up only the mortgage offerings from the Union Bank and the Great Falls National Bank because of lack of income. At the present time we are awaiting final figures from The Exchange Bank of Glendive before making payment for their offering which was accepted at the last Board meeting. This will increase the above figure on mortgages to 40 per cent. Payoffs on mortgages this year have been heavy. The Union Bank's principal payment has totaled over \$140,000 through November.

The Barnes mortgage has finally been cleared from our books. The property was sold for \$11,550 and after deducting all expenses--the major ones being sales commission, taxes, interest due us and foreclosure proceedings--the Barneses received \$859.88 and we received all due the System.

The fall work has been progressing nicely, with our big project of changing the trays and getting our teachers' lists up to date, having been completed. The posting is up to date. The payroll this month will go out on the new checks with window envelopes. The new checks did not arrive in time to use in November but we hand-fed our old checks through the machine and this worked nicely if not rapidly.

On the agenda I have made a request to purchase an additional posting tray. With the additional number of teachers each year, our present trays are becoming so full that it makes locating and posting the sheets difficult. Another tray will remedy the condition.

Representatives of The Farmers' Home Administration called at the office last week concerning the sale of insured Farm and Soil & Water Conservation notes. They intend to see the Land Board also and it may be that we will be able to buy these long-term government insured notes that pay $3\frac{1}{2}\%$ interest. They would be classified as Government Bonds and would not cut into our 40 per cent quota in Real Estate Mortgages.

Mr. Spraycar and I each attended two MEA Conventions. Harry attended the Missoula and Great Falls Conventions and I went to Bozeman and Miles City. I also attended a meeting in Butte this fall and spoke to a group of teachers in Inverness who represented the teachers of the small High-Line schools. My most recent trip was to Windam to talk to the teachers of Judith Basin County.

NCTR Convention

February 16-18, 1956 - Atlantic City

The Convention consisted of six sessions this year--an increase of one over last year, which in turn was an increase of one session over 1953. I don't know whether their problems are greater or the speakers more loquacious.

The opening session dealt with problems of the office--a shop talk. The idea of such a session was originated by Bob at the time of his Chairmanship. It was passed over last year but added again this year. Such problems as naming beneficiaries, handling records, services to teachers, disability retirement applications and survivor's benefits were discussed. As soon as the Chairman, Mr. Shuter of Ohio, found out I was to be attending the meeting, he asked me to discuss Montana's survivor's benefits. This marked my first active participation in the organization.

The report on recent legislation in the various states was much improved over last year. It was a comparison of the separate sections of the nation set up on mimeographed charts, thus giving one a chance to make a better analysis. The trend of recent legislation is moving the nation more in line with Montana for out-of-state credit, re-deposits, increased benefits and also survivor's benefits. Many states are also changing their investment laws to permit the purchase of corporate bonds.

Three Systems which have Social Security in addition to teacher retirement also were discussed--South Carolina, Alabama and New Jersey. South Carolina, which has a joint Teachers and Public Employees Retirement System, has been coordinated with Social Security. The contribution to the System by the teacher is 3% of \$4,200 and 5% of all over that figure. Previously, it was a flat 4%. The total employer contribution remains $8\frac{1}{2}\%$. Benefits from the System alone have now been cut about one-fourth with the addition of Social Security.

Alabama has chosen supplementation. The most interesting feature regards the rehiring of all retired teachers so they could get minimum Social Security benefits. The legislature appropriated the funds to pay the wages.

The New Jersey System has also been correlated. It became necessary because of a pre-World War I law that stated any veteran was entitled to a retirement benefit at one-half pay, payable by the department in which he worked. You can see that this law was becoming quite a problem.

A separate session was also held on Investments. Explanatory material with charts clearly showed the trend toward investment in non-government securities. At the present time government securities are by far the largest percentage of most portfolios. The second largest percentage is in public utilities and the third is general tax obligations and revenue bonds; then, FHA and VA Mortgages which were just a fraction of a per cent over Industrial Bonds. Some of the retirement plans for private schools invest highly in common stock. The Teachers' Insurance & Annuity Association has a separate retirement plan in which all contributions go into common stock.

The weather in Atlantic City was poor--overcast with wind and rain or snow. The only nice day was the Sunday I spent sightseeing in Washington.

EXECUTIVE SECRETARY'S REPORT

March 17, 1956

In checking our teachers who had no payments so far this year, I found a teacher who teaches three periods of Home Economics gratis. Also this month I had a letter from a retired teacher asking to be removed from the retirement rolls because she felt she had received more than enough to compensate for her teaching in Montana. These two, coupled with one teacher who is over sixty and who has more than enough service for a retirement benefit but will not accept it now because he doesn't need it, rather increases one's faith in human nature.

Since December we have had our retirement checks and the payroll done on IBM equipment. The few remarks we did receive were complimentary and no one has complained about the window envelopes. At this time of the year the correspondence with retired teachers deals with income tax problems but they all express their appreciation for our promptness in getting out their checks.

The extra work in the office this time of year deals with teachers who will have become seventy this term, delinquent payments, history records of accounts, and calculating interest. We have a large number of teachers over seventy this year and by far the largest number will be eligible for retirement benefits. Elsie has been checking delinquent payments which is a tedious task and especially aggravating because each year it is the same clerks who won't remit payments until we "jar" them a bit. Lola nearly has the interest calculated and Harry's extra time is spent keeping up the history records.

Investments last quarter include \$300,000 of U. S. Treasury Bonds @ 3%; \$175,000 in FHA & VA Mortgages at 98 and \$99,000 in Meagher County High School Bonds at 3%. As of March 10, our percentages stood at 48% in U. S. Treasury Bonds. 38.7% in Mortgages and 13.3% in State and Municipal Bonds.

We have had one delinquent mortgage with the Daly Bank in Anaconda and one with the Union Bank & Trust Co.. When it reached the point where some action was necessary all the payments were brought up-to-date.

Dale Creel, our college student, who had been helping us with the posting has left our employ and I have hired David Kasperick, another Carroll student, to replace him. He is a local boy and should be able to help us through the summer also.

Travel, except for the trip to Atlantic City, has been at a minimum. I made one trip to Missoula to speak to the teachers in the grade schools there. I expect to spend a week in Billings holding personal interviews with those teachers who are interested. Mr. Harper was last there in the spring of 1950.

RETIREMENT BOARD MEETING

March 17, 1956

The meeting was called to order at 1:30 p.m. by the Chairman, Miss Mary Condon. In attendance were Mrs. George Fulton, Mr. Raymond A. Gerber and Mr. J. L. Gleason. Also attending were Mr. Floyd Young, the Actuary and Mr. J. Hugh McKinny, the Executive Secretary. Mr. John Savage, the Vice-Chairman, was absent because of illness.

The minutes of the meeting of December 10, 1955, were approved upon a motion by Mr. Gleason and a second by Mrs. Fulton. The copies of the monthly Financial statement were distributed to the members for study. The Executive Secretary read his report which included a survey of the office duties for the past quarter and a registra of the National Council on Teacher Retirement Convention in Atlantic City. Mrs. Fulton moved that his report be approved. Mr. Gleason seconded the motion which was approved.

At this point, Mr. W. W. Miller, Assistant Vice President of the Great Falls National Bank, was invited into the meeting to explain to the Board his bank's position on discounting mortgages. He pointed out that his bank did not make discount loans for their own portfolio but did make them when they had an advance market for resale on the discount terms. He felt that the bank's discount mortgages were not as strong as regular mortgages and that possibly the System would not care to invest in them. However, if the Board so desired, he would secure discounted mortgages for the System. He also submitted an offering of seasoned mortgages from the Bank's portfolio at par and explained the reasons why each loan was a par loan.

The Actuary submitted his five-year report on the System concerning future financial needs under present economic conditions. He also suggested that during the fiscal year 1956-57, interest earnings of the System would permit the paying of 3 per cent interest on all savings accounts including the Annuity Reserve Fund. Mr. Gleason then moved that all annuity reserve payments should be re-calculated on a 3 per cent interest basis for the coming year. Mr. Gerber seconded the motion which was unanimously approved. Mr. Gerber then moved that the remainder of the Actuary's Report be accepted as a confidential report to the Board. Mrs. Fulton seconded the motion which was unanimously approved.

Mr. Gleason moved that the following approximate payrolls be approved for April, May and June, 1956, in the following amounts plus any additions authorized later in the meeting:

Pension - - - - -	\$ 60,800.00	per month
Office - - - - -	2,010.00	per month

Mr. Gerber seconded the motion which was unanimously approved.

The Board next turned to old business and considered further the application for survivor's benefit of William Mountjoy on the account of Opal Mountjoy, deceased teacher. Since it was the Attorney General's opinion that the bill

of sale given the survivor by the deceased covering all of the deceased's assets included her retirement account, Mrs. Fulton moved that the survivor's benefit should be paid to Mr. Mountjoy. Mr. Gleason seconded the motion which was approved.

The special investigation of those teachers receiving disability benefit showed that Nellie Mulholland might again be physically able to teach. Mr. Gerber moved that the Secretary should inform Miss Mulholland to have another physical examination at the System's expense to show proof of continued disability. Mr. Gleason seconded the motion which was unanimously approved.

The Executive Secretary reported that there would be approximately \$700,000 available for investment during the coming quarter. Mr. Gleason moved that the Investment Committee be authorized to purchase:

1. \$200,000.00 FHA & VA Loans Great Falls National Bank at par
2. 100,000.00 FHA & VA Loans Union Bank & Trust Co. at 98% & 99%
3. 50,000.00 FHA & VA Loans Streeter Bros. at 98%
4. 20,000.00 Rosebud Co. Sch. Dist. #4 School Bonds at 2.9% to 3.4%

The remainder of the funds to be invested in U. S. Treasury Bonds, 1995, at 3% or in Municipals of equal earnings.

Mr. Gerber seconded the motion which was unanimously adopted.

Mr. Oscar Tretsven had petitioned the Board to use his service which accrued during 1955-56 towards his retirement benefit even though he was over seventy years of age. He had continued his work at the State College because the College had been unable to replace him. Mr. Gerber moved that his request be denied as the law is explicit on this point and the Board in all past instances had ruled similarly. He also moved that the Executive Secretary be instructed to refund all payments made by him since September 1, 1955, and also refund all employer contributions made on his behalf since that date to the State College. Mr. Gleason seconded the motion which was unanimously adopted.

Mrs. Jessie Moore had petitioned the Board to use the value of her teacherage as part of her average final compensation even though she did not live in it. She stated that she had to drive back and forth because of illness in the family. Mrs. Fulton moved that if Mrs. Moore paid both Federal and State income tax on the value of her teacherage and supplied proof that this was considered part of her gross income, the System would acknowledge it--and also if the normal contribution were paid. Mr. Gleason seconded the motion which was unanimously approved.

A request by the Montana Bank to secure a Servicing Agreement with the System for the purpose of selling FHA and VA Loans to the System was taken up next. Mr. Gerber moved, with a second by Mr. Gleason, that the standard agreement should be drawn up and the Executive Secretary should procure the proper signatures. The motion was unanimously adopted.

The Board then held a general discussion on possible legislation. It was pointed out that the Report of the Retirement Committee of the MEA held that although some changes might be recommended it was probably best not to request any legislation until the present conditions were more static. Since

our law makes no other provision than payment to the estate in the case of a deceased teacher who has not listed a beneficiary or whose beneficiary is deceased, Mr. Gerber moved that an amendment should be prepared to name successive beneficiaries. Mr. Gleason seconded the motion which was adopted.

The Board deferred action on the removal of the salary ceiling, increased employer contribution and increased minimum benefits. The Secretary was asked to secure further information on the investment laws of other states to be acted upon at the next meeting.

Mr. Gleason moved the approval of the following interim retirement benefits:

1.	Ethel Cornelius	Hill County	\$ 142.70
2.	Emma Johnson	Richland	97.80
3.	Edith Syth	Hill	113.50
4.	Leva Thompson	Vested Right	114.20

Mr. Gerber seconded the motion.

Mr. Gerber moved the approval of the interim disability application of:

1.	Christina Walker	Musselshell Co.	\$ 65.21
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Mr. Gleason seconded the motion.

Mr. Gerber moved the approval of the following applications for retirement benefit:

1.	T. B. Holker	Vested Right	\$ 64.12
2.	Gertrude McConnell	Jefferson	68.01
3.	Marguerite Manning	Silver Bow	101.38
4.	Thula Rodes	Silver Bow	208.06
5.	Jessie Moore	Wheatland	82.11

Mr. Gleason seconded the motion.

Mr. Gerber moved the approval of the following applications for survivor's benefit:

1.	William Mountjoy	(account of Opal Mountjoy)	Lake Co.	\$45.67
2.	Edwin K. Lloyd	(account of Gertrude Lloyd)	Msla. Co.	54.80

Mrs. Fulton seconded the motion.

All the motions in regard to approval of application for benefits were given unanimous approval.

Mr. Gleason moved the next meeting of the Board be held the 9th of June at 1 30 p.m.. Mrs. Fulton seconded the motion which was approved.

The Meeting was adjourned on proper motion and second at 4:20 p.m..

Mary M Condon
Chairman

J. B. Kenny
Executive Secretary

RETIREMENT BOARD MEETING

June 9, 1956

The meeting was called to order at 1:35 p.m. by the Chairman, Miss Mary Condon. In Attendance were Mrs. George Fulton, Mr. J. L. Gleason and Mr. Raymond A. Gerber. Also attending were Mr. Floyd E. Young, the Actuary, and Mr. J. Hugh McKinny, the Executive Secretary.

The minutes of the last meeting, having been distributed prior to this session, were approved on a motion by Mr. Gleason and a second by Mrs. Fulton.

The Executive Secretary submitted his report on the administration of the System for the past quarter and the May Financial Statement was examined. Mrs. Fulton moved the approval of the report. Mr. Gleason seconded the motion which was approved.

Mr. Gleason moved the approval of the retirement and office payrolls for the next quarter, subject to additions approved later in the meeting. Mrs. Fulton seconded the motion which was approved.

The Board next considered the removal of Nellie C. Mulholland from the disability rolls. After examining the physician's statement of continued disability, Mrs. Fulton moved that Miss Mulholland remain on the disability roll. Mr. Gleason seconded the motion which was approved.

The Executive Secretary then offered the information he had gathered on the investment policies of other states. After a short discussion, Mr. Gerber moved that further study was needed on the subject and that no action be taken at this meeting. Mr. Gleason seconded the motion which was approved.

The Board then proceeded to the new business at hand. It was agreed that the Montana Education Association's request for membership for its professional members be refused, as it had been previously, because the Association is a private organization.

The Montana Center of Cerebral Palsy and Handicapped Children at Billings requested that their teachers get coverage under the Teachers' Retirement System. They explained that their funds came from the Montana State Board of Health, Eastern Montana College, District #2 of Yellowstone and the Montana Society for Crippled Children. Their teachers receive coverage from OASI for that part of their salary paid by the Montana Society for Crippled Children but no other. Mr. Gerber moved that the teachers should be allowed coverage under the Montana Retirement System for that portion of their salary not paid by the Montana Society for Crippled Children. Mrs. Fulton seconded the motion which received unanimous approval.

George Puckett's request, to purchase as out-of-state service teaching done under the U. S. Government Technical Cooperative Mission (Point 4) and teaching under the Indian Service in Montana, was considered next. It was agreed

that because of the many similar requests in the past a statement of policy was in order. Mr. Gerber moved that the teacher could purchase government teaching service providing the teacher was employed directly by the U. S. Government and that the teacher pay both his normal contribution and an amount equal to the district's contribution on the salary he earned in the service of the government. Mrs. Fulton seconded the motion which was adopted unanimously.

Since Mr. Vernon Cooper's request complied with the ruling on Mr. Puckett's request, no action was needed.

A request by the First National Bank & Trust Company of Helena to secure a Servicing Agreement with the System for the purpose of selling FHA & VA Loans to the System was taken up next. Mr. Gleason moved, with a second by Mr. Gerber, that the standard agreement should be drawn up and the Executive Secretary should procure the proper signatures. The motion was unanimously approved.

The Executive Secretary reported there would be approximately \$300,000 available for investment the next quarter and that the offering of mortgages from the Servicing Agencies exceeded that amount. Mr. Gleason then moved the purchase of the following:

1.	First National Bank of Kalispell	\$	125,000.00
2.	Union Bank & Trust Co, Helena		140,000.00
3.	Montana Bank, Great Falls		50,000.00
4.	Great Falls National Bank		100,000.00

These purchases to be made at such time as the funds become available. Mrs. Fulton seconded the motion which was unanimously approved.

Mr. Gleason moved the approval of the purchase of the following items of equipment at the approximate prices:

10	Transfer Cases		\$	77.50	
3	Check Files			10.75	
1	Protectograph			210.00	
1	Burroughs Director Desk-Model				
	Posting Machine	\$	967.50		
	Less trade-in		<u>125.00</u>		
				842.50	
1	Posting Tray & Stand			78.50	
1	Standard 15" Underwood				
	Typewriter	\$	197.50		
	Less trade-in		<u>30.00</u>		
				167.50	
1	Executive Desk				
	size 72" x 48"	\$	277.50		
	Less trade-in		<u>25.00</u>		
				<u>252.50</u>	
	Total				\$1,639.25

Following a second by Mrs. Fulton, the motion was approved.

The Secretary presented the following estimated budget for the fiscal year 1956-57:

Salaries	\$ 24,500.00
Supplies	1,500.00
Maintenance	1,000.00
Rent	1,026.00
Board	725.00
Travel	1,200.00
Depreciation	1,200.00
Postage	800.00
PERS	<u>1,295.00</u>
	\$ 33,246.00

Mr. Gerber moved the approval of the budget. Mrs. Fulton seconded the motion which was carried.

The Board then went into Executive Session. Following the Executive Session, Mr. Gerber moved that the Executive Secretary's salary be adjusted from \$5,500 to \$6,250 and that the following salary adjustments be approved and effective July 1, 1956:

J. Hugh McKinny	\$ 5,500 to \$6,250	(\$458.33 to \$520.83)
Harry J. Spraycar	4,400 to \$4,800	(\$366.66 to \$400.00)
Lola Lee	2,520 to \$2,820	(\$210.00 to \$235.00)
Jessie McKenna	3,180 to \$3,300	(\$265.00 to \$275.00)
Elsie Wilcox	3,000 to \$3,120	(\$250.00 to \$260.00)
Dorris Morris	1,920 to \$1,980	(\$160.00 to \$165.00)

Mr. Gleason seconded the motion which was unanimously approved.

Mr. Gleason moved that the applications of Olive Cushing and Hazel Murray for disability benefits beginning July 1, 1956, be approved. Mr. Gerber seconded the motion.

Mr. Gleason moved that the application of Christy McLeod for survivor's benefit (as beneficiary of the account of Agnes Rossiter) be approved. Mr. Gerber seconded the motion.

Mr. Gleason moved the approval of the following applications for retirement benefit beginning July 1, 1956, subject to proper completion of the records and calculation by the Actuary. Mrs. Fulton seconded the motion.

1.	Ethel F. Allanson	Park	\$ 147.31	
2.	Signe Anderson	Sweet Grass	44.43	
3.	Minnie A. Boylan	Flathead	152.14	
4.	Anna Brechbill	Missoula	61.92	
5.	Harry S. Cannon	St. College	200.83	Option #2
6.	Margaret B. Coffman	Cascade	157.78	
7.	Rufus A. Coleman	St. University	210.91	
8.	Celia Ducett	Chouteau	52.12	

9.	Edwina Eichenberger	Fallon	\$	152.09	
10.	G. Marie Evans	Cascade		140.75	
11.	Angela E. Garrison	St. Dept.		96.57	Option #2
12.	Helen Gleason	St. University		201.72	
13.	Pearl V. Goodall	Lewis & Clark		81.31	Option #2
14.	Grace E. Harris	Cascade		194.72	
15.	Wm. L. Hodgskiss	Deer Lodge		147.24	Option #4
16.	Pauline Holland	St. Dept.		116.51	Option #2
17.	Helen E. Keating	Chouteau		53.96	
18.	Stella T. Keene	Broadwater		26.12	Option #2
19.	J. B. Kiracofe	Lake		114.88	
20.	Blanche K. Lowery	Chouteau		56.79	
21.	Marie A. McLean	Deer Lodge		27.14	
22.	Mossie R. Mettie	Gallatin		193.19	
23.	Ruth S. Nibbe	Big Horn		141.81	
24.	May Hundley Riehm	Rosebud		144.68	
25.	Juanita Schoess	Lewis & Clark		186.77	
26.	L. W. Seibel	Granite		172.33	
27.	Arrabelle G. Shepard	Lincoln		66.59	
28.	W. J. Shirley	Chouteau		192.65	
29.	Lulu M. Sisson	Custer		46.34	
30.	May Sprinkle	Beaverhead		84.79	
31.	Anna Stone	McCone		74.83	Option #2
32.	Mabel H. Thompson	Glacier		48.54	
33.	Clara Vath	Cascade		42.02	
34.	Edna E. Wall	Powder River		43.46	
35.	A. E. Adami	School of Mines			
36.	Elsie Baldwin	Yellowstone			
37.	Frieda M. Campbell	Stillwater			
38.	Leona Draeger	Hill			
39.	Etheta D. Gardner	Fergus			
40.	Breta M. Gorton	Hill			
41.	Jessie I. Graves	Chouteau			
42.	Kate Mulcahy Hale	Cascade			
43.	Dr. Rush Jordan	Western Montana College			
44.	Clara Kjerstad	Northern Montana College			
45.	Lillian Lear	Glacier			
46.	Mrs. Daniel S. McCorkel	Toole Co.			
47.	Eva Mae Martin	Cascade			
48.	Dr. A. S. Merrill	St. University			
49.	Bess H. Midyett	Lincoln			
50.	E. A. Morgan	Northern Montana College			
51.	H. Elwood Morris	State College			
52.	Ida S. Panchot	Hill			
53.	Florence M. Smith	St. University			
54.	J. O. Tretsven	St. College			

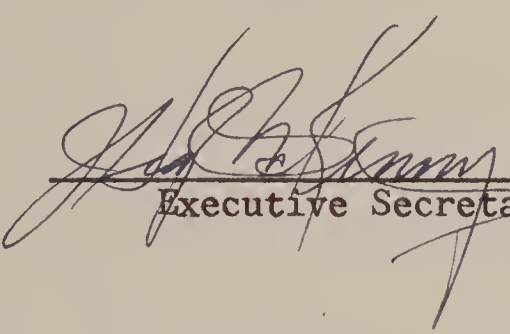
All motions on applications for benefits were given unanimous approval

by the Board.

The next Board meeting was set for September 15, 1956, at 1:30 p.m..

The meeting adjourned at 3:00 p.m. on proper motion and second.

Chairman



Executive Secretary

[Faint handwritten notes in blue ink, possibly "to be filed" or similar, are visible below the signature.]

EXECUTIVE SECRETARY'S REPORT

June 9, 1956

The routine office work has been progressing satisfactorily. With two people posting, there is no longer the problem of a last minute posting rush to "catch up" even though the number of accounts increases yearly. There still is a great number of requests for refunds and we will have to wait until fall to see if the required statement from the clerk will cut down the number of withdrawals. The history records have been brought up-to-date and we have started work on the new records. The biggest problem now is the handling of the FHA mortgage accounts and I believe this can be solved by machine posting the accounts.

I did not have many speaking engagements this past quarter. I spoke to the Schoolmasters' Association in Arlee in March and to the College faculty in May. I also had two days of personal interviews at the College. I spent the week of April 21-28 in Billings doing personal interviews--Sunday afternoon at Eastern Montana College and the remainder of the week with the teachers of District #2. Higher salaries and the 3 per cent interest earnings make the estimates quite respectable--about \$180 to \$200 per month for thirty-five years of service.

I contacted the Federal income tax agents and the agents for the Board of Equalization and find that board and room is not considered as taxable income but furnished for the convenience of the employee. Therefore, no teacher is required to pay income taxes on the teacherage. However, continuing to allow the teacher to use her teacherage as part of her annual salary, if the normal contribution has been paid, will increase a rural teacher's benefit about \$10 per month.

Since the last Board meeting, we have invested \$691,310.74. Of this figure, \$319,335.74 was in mortgages approved at the last meeting; \$250,000 in U. S. Treasury Bonds, 1995 maturity date at 3.04%; \$20,000 Rosebud Co. Dist. #4 Bonds at 3.01% and \$32,000 City of Glasgow Bonds at 3.02%. Governments were over par most of the quarter but have now dropped to par. We also have commitments to buy \$30,000 in Granite Co. H. S. District #1 Bonds at 3.10% and \$78,000 in Fairfield Dist. #21 Bonds at 3.05%. As of June 4, mortgages were 39.1% of our total investment.

The budget does not include any equipment purchases or salary increases. The estimates were fairly close last year except for the PERS item which was off because of Social Security.

I have also requested increases in salary for the staff. The substantial requests are for Mr. Spraycar and Mrs. Lee to bring their salaries more in line with the others. The remaining requests were made to off-set the deduction for Social Security.

Our need for equipment exceeds that of last year. The lower numbers on the

Check-Protector are worn down and the machine should be replaced. The posting machine is a desk model that carries two balances and a proof. It will be used for posting the mortgage accounts. The tray will be used to hold records on the individual loans. The typewriter is for Miss McKenna's desk. Her machine is now 14 years old. I am requesting a new desk because the top of the present one is too small and especially so when I have a visitor.

We have sent out about 55 applications for retirement benefit. Approximately 20 were sent out because the teacher had attained age seventy. About 35 applications have been returned and the calculations completed. The overall average of the first group is \$116.82 per month. The straight-life retirement average is \$125.16 and on the options the average is \$90.43. The average retirement benefit for those with 30 or more years of service is \$166.79.

EXECUTIVE SECRETARY'S REPORT

September 15, 1956

The new equipment has all been ordered but only the Transfer Files and the Check-Protector have been delivered. A skip-bar for the Posting Machine has to be made to order which takes a little longer, but it and the desk are expected any time.

The bank examination was made again this year by Mr. Alke. I presume that you have all received a copy of the Report. He made no suggestions or criticisms. His examination took $6\frac{1}{2}$ days--between the 9th and 20th of July. The bill for his services was \$195.

The teachers' lists are now coming in from the county superintendents and we are beginning our fall change-over. From the reports of increased enrollment around the state, it will be interesting to observe the increase in the number of teachers. Each additional teacher increases our work just that much more.

Since June 30 we have added 65 persons (including the month of September) to the retirement rolls. The total payroll has increased \$6,804.68. Of this amount \$412.88 represents the increase from the recalculation of the interest rate from $2\frac{1}{2}$ per cent to the 3 per cent which went into effect July 31. This now makes the average benefit check \$85.71. The average check for those who retired this summer under any plan was \$105.25. The average straight-life benefit is now \$85.98; the disability benefit averages \$63.76; the options, \$105.79.

The number of refunds seems to be down this summer from last. During the summer months last year (June, July, August and September) we issued 885 refund checks. So far this year, we have issued 736 but should total about 800 by the end of the month. I know our request for the release by the superintendent or clerk has prevented some unwarranted withdrawals but how many, I cannot tell.

Investments this summer were limited to \$100,000 in U. S. Treasury 1995's. These bonds were purchased rather than mortgages because the price of Governments dropped considerably this summer. The net yield on this group will be 3.24 per cent on a par 3 per cent bond.

We have completed a Servicing Agreement with the First National Bank & Trust Company of Helena and they have submitted an offering of approximately \$100,000 for your consideration at this meeting.

Harry and I plan to attend four of the up-coming MEA Conventions. I also plan to spend two weeks this fall visiting some of the schools throughout the state. I will spend one week in the western part and one in the eastern. I also hope to take a week during November to do personal interviews in the Butte schools.

RETIREMENT BOARD MEETING

September 15, 1956

The meeting was called to order at 1:30 p.m. by the Chairman, Miss Mary Condon. In attendance were John L. Savage, Raymond A. Gerber, J. L. Gleason, Mrs. George Fulton, Floyd E. Young---the Actuary and J. Hugh McKinny--Executive Secretary.

The minutes of the last meeting, having previously been examined by the Board members, were unanimously approved following a motion by Mr. Gleason and second by Mrs. Fulton.

The Executive Secretary presented his report on the activity of the past quarter. Mr. Savage moved that the Report be put on record and Mr. Gerber seconded the motion which was approved.

The monthly Financial Statement was examined and approved after a motion by Mr. Savage and a second by Mr. Gleason.

The payrolls were then considered by the Board and Mr. Gleason moved the approval of both the Pension Payroll and the Office Payroll for the coming quarter. Mr. Gerber seconded the motion which was approved.

The Board next reviewed the disability application of Mrs. Ethel Anderson of Raynesford. Mrs. Anderson, age seventy, had two years of membership service (1941-43) and had submitted for verification in 1954, 9½ years of teaching in Montana before 1937.. Mrs. Anderson did not qualify to receive prior service credit under the law of 1937 or its later amendments. Mrs. Anderson then appeared before the Board in behalf of her case. She informed the Board she had been ill since 1943 with hypertension and arthritis following a winter storm she had been caught in while teaching and that she had not been well enough to return to teaching since that time. After a thorough discussion with Mrs. Anderson, Mr. Savage moved the case be taken under advisement. Mr. Gerber seconded the motion and Mrs. Anderson retired from the room. Following a short discussion, Mr. Gerber moved that the additional information did not justify re-opening the case. Mr. Savage seconded the motion which was unanimously approved.

The Board then discussed the possibility of future legislation--both by the System and other interested parties. It was decided to postpone any action, pending further consideration prior to the next Board meeting.

The Secretary requested that he be authorized to solicit permission from the Board of the Historical Library to destroy remittance sheets for the school year 1945-46. Mr. Gerber moved this permission be granted and Mr. Gleason seconded the motion which was approved.

Miss Lucile Nelson's request for a refund was then considered. She had been granted a "Vested Right" in 1949 but because of illness wished to withdraw her funds. The Board considered the Vested Right privilege to be an essential

part of the retirement law in protecting teachers' benefits and felt that granting this request might jeopardize the privilege in the future. Mr. Gerber moved Miss Nelson's request be denied. Mr. Savage seconded the motion which was approved.

The Secretary submitted the following list of accounts that had been inactive for ten years. It was moved by Mr. Gleason and seconded by Mrs. Fulton that these accounts be transferred to the Pension Accumulation Fund. The motion was approved.

Dooley, Bradley L.	\$ 6.05	Solnicka, Jerry	\$ 4.63
Duncan, Mrs. D. H.	5.13	Staus, Mrs. Donna	6.90
Engman, Marie	.48	Sweeney, Katherine	2.64
Gregory, Ida K.	2.20	Timmel, Mrs. Helene	3.55
Hamer, Marjorie	5.94	Vinton, Katie M. (Alva J.)	28.37
Haskell, Betty Ellis	5.69	Walter, Mrs. John	3.89
Heinley, Robert Curtis	7.68	Wilkinson, Olive C.	3.08
Hoeck, Pat	.65	Williams, Marian	2.69
House, Mrs. O. G.	5.84	Wintermute, Leta B.	3.67
Howard, Mrs. Elva	6.71	Anderson, Mrs. Johanna Muller	339.52
Huckins, Barbara	6.81	Beecher, Elsie Ritland	48.85
Hudgins, Miss Louise	5.01	Brandt, Leila L.	680.91
Jones, Dorothy Mitchell	8.88	Cook, Inez B.	39.21
Klesalek, Audrey Arleen	10.71	Dominguez, Elizabeth	10.51
Kraemer, Leah G.	4.60	Duston, Beth	12.31
Krist, Mrs. W.	3.96	Erwin, Alice G.	78.27
Langel, Helen	5.28	Kuhnen, Alma H.	16.30
Liedtke, Esther	5.93	McGinnitty, Nellie	13.85
McDonald, Katherine	3.52	Porter, Flossie	46.05
Nygard, Helen	1.34	Rice, Florence	37.91
Patterson, Mrs. George	7.73	Rorvik, Mavis Marie	64.17
Rosa, Mary	3.93	Stoffel, Lillian E.	30.75
Schrom, Christine	2.35	Tooke, Mary F. Mariana	18.14
Total			\$ 1,612.59

The Executive Secretary reported there would be approximately \$400,000 to invest during the next quarter and that the new offerings plus the carry-over of offerings from the past meeting would exceed that amount. Mr. Gerber then moved the purchase of the following offerings subject to the recommendation of the Finance Committee:

First National Bank & Trust Co.	\$ 107,000.00
Exchange Bank, Glendive	100,000.00
Streeter Bros.	50,000.00

The purchases are to be made at such time as the funds become available. Mr. Gleason seconded the motion which was unanimously approved.

The Executive Secretary reported three teachers over age seventy who were actively teaching this term contrary to law. Initial efforts by him to remove the teachers had been ignored by the county superintendent and school board members contacted. The matter was discussed briefly and the Executive Secretary was instructed to inform the Attorney General's Office and request his aid in a solution of the problem.

The following applications for survivor's benefits were unanimously approved by the Board:

- | | | |
|------------------------|----------|---------------------------|
| 1. Mrs. Donian Hillman | \$ 37.29 | account of Anna Stone |
| 2. Mrs. Kay Roberts | 51.23 | account of Arthur Roberts |
| 3. Mrs. Edna Moe | 89.08 | account of O. K. Moe |
| 4. Mrs. Ruth Leger | 97.97 | account of George Leger |

The following disability applications were approved following a motion by Mr. Gerber and a second by Mrs. Fulton:

- | | | |
|-------------------|----------------|----------|
| 1. Mary Racine | Glacier County | \$ 57.50 |
| 2. Muriel Johnson | Park County | 115.10 |

The following applications for retirement benefit were approved on a motion by Mr. Gerber and a second by Mr. Savage:

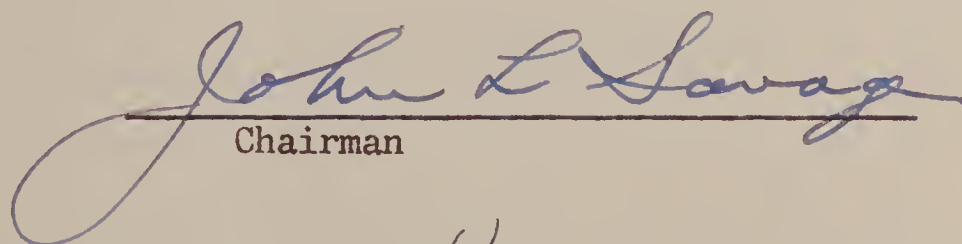
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|-----------------|------------------------|-----------|
| 1. Pauline Rich | Eastern Montana Normal | \$ 154.44 |
| 2. Ruth Sinnott | Glacier | 141.78 |

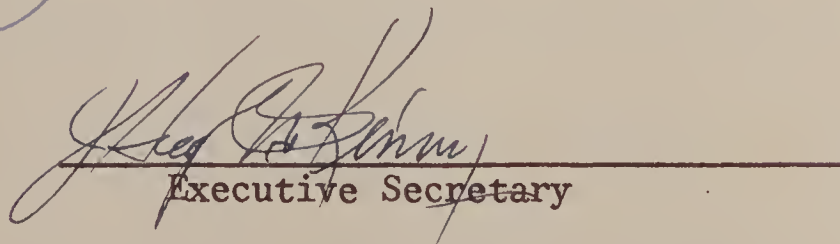
Mr. Savage moved the approval of the following interim retirement benefits and Mr. Gleason seconded the motion which carried.

- | | | |
|----------------------|------------|--------|
| 1. Vera Faxon | Cascade | 64.58 |
| 2. Kyle Jones | St. Dept. | 44.13 |
| 3. Alexander Seaton | Cascade | 175.50 |
| 4. Irene Fisher | Custer | 90.05 |
| 5. Zelpha Jenneskens | Toole | 82.89 |
| 6. J. H. Toelle | University | 179.66 |
| 7. Frances Kennedy | Silver Bow | 68.14 |
| 8. Cora Buntin | Stillwater | 52.57 |

The next Board Meeting was set for December 1, 1956, at 1:30 p.m..

The meeting adjourned at 3:10 p.m. on proper motion and second.


Chairman


Executive Secretary

RETIREMENT BOARD MEETING

December 1, 1956

The meeting was called to order at 1:30 by the Vice Chairman, John L. Savage, in the absence of the Chairman, Mary M. Condon. In attendance were board members J. L. Gleason and Mrs. Anna L. Fulton along with Mr. Young--the Actuary and Mr. McKinny--the Executive Secretary.

The minutes of the September 15th meeting, having been in the hands of the members prior to the present meeting, were approved on a motion by Mrs. Fulton and a second by Mr. Gleason.

The Secretary gave his report which was approved. After a short discussion, the Biennial Report to the Governor was also approved.

Mr. Gleason then moved the approval of the pension payroll and the office payroll for the next quarter. Mrs. Fulton seconded the motion which was approved.

The Board then turned to old business at hand. After a short discussion it was decided, on a motion by Mr. Gleason and a second by Mrs. Fulton that the Board would introduce a bill to remove the salary ceiling if such action were recommended by the Montana Education Association and the University faculty. The motion was unanimously approved.

The Secretary reported on the action of the Attorney General's office on the Board's request for aid in removal from the classroom, teachers who were past age seventy. The Attorney General was taking no action whatsoever because he was leaving his office and felt it would be a policy matter that should be decided by his successor and that the request would be turned over to Mr. Anderson.

On the motion of Mrs. Fulton and a second by Mr. Gleason, the Board approved the following resolution: RESOLUTION NO. 30

BE IT RESOLVED that the interest rate of three (3) per cent be allowed on all funds of the Teachers' Retirement System and that the Actuary be instructed to use this rate of interest together with the previous mortality and disability and withdrawal assumptions to determine the amounts of the reserves for the various fields.

Harriet E. Miller

Harriet E. Miller

J. L. Gleason

J. L. Gleason

Anna L. Fulton

Anna L. Fulton

John L. Savage

John L. Savage

Raymond A. Gerber

Raymond A. Gerber

The motion was unanimously approved.

Because the interest rate on FHA loans had been increased December 1, 1956, from $4\frac{1}{2}$ per cent to 5 per cent, Mr. Gleason moved that the Investment Committee be instructed to return the mortgage offerings to the agencies for higher discounts and if they were not forthcoming to invest the monies in Government Bonds. Mrs. Fulton seconded the motion which carried.

Mr. Gleason moved that Mr. McKinny attend the NCTR meeting in Atlantic City February 14-17, 1957. Mrs. Fulton seconded the motion which was approved.

Mr. James Harter's request (retired teacher) to transfer one year's credit from the PERS to the TRS was next considered by the Board. After a short discussion and after a close examination of Chapter 132 of the Session Laws of 1953, Mrs. Fulton moved that the Secretary inform Mr. Harter that the law does not permit the Board to accept the transfer because he is not returning to active teaching. Mr. Gleason seconded and the motion carried.

Mr. Gleason moved the approval of the following interim retirements:

1.	Frances Conley	Carter	\$ 31.95
2.	Agnes K. Wickersham	Vested Right	27.50

Mrs. Fulton seconded the motion which was approved.

Mrs. Fulton moved the approval of the following applications for retirement benefit:

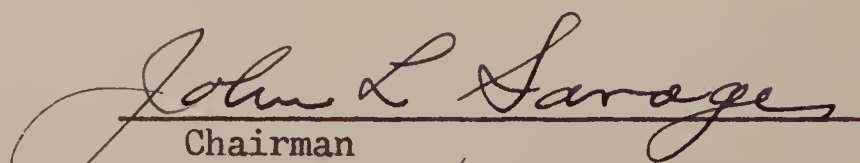
1.	Fern Fallon	Dawson	\$ 100.20
2.	Pearl Andreason	Lewis & Clark	105.20
3.	E. J. Nordgaard	Deer Lodge	196.44
4.	Lois B. Payson	Vested Right	31.94

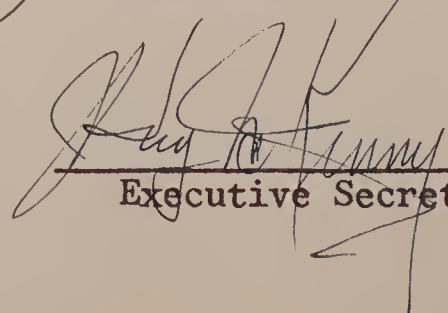
Mr. Gleason seconded the motion which carried.

The date of the next meeting was tentatively set for March 16, 1957, at one-thirty.

Mr. Gleason moved that Mr. Savage be appointed Chairman of the Board to fill Miss Condon's unexpired term from January 7, 1957, to July 1, 1957. Mrs. Fulton seconded the motion which was unanimously approved.

The meeting adjourned at 3:00 p.m. on proper motion and second.


Chairman


Executive Secretary

EXECUTIVE SECRETARY'S REPORT

December 1, 1956

The last quarter of the year is always our busiest. This is due in part to the change-over of the trays and the adding of the new teachers. This large project was completed by the middle of November. We continue posting through this change-over so that we do not get too far behind in our work. At the present time the posting of the remittances is up-to-date.

The new posting machine for the mortgage payments is now in use. Because I elected to put all of this year's payments on the new records and because the posting machine was late in arriving, we have not as yet caught up to the individual posting of the mortgage payments from all the agencies but these will be completed this month.

We have had a change in help. Dave Kasperick resigned in September and I have hired another boy, Tom Schneider, also of Carroll, to help with the posting. He is proving more than satisfactory.

Harry and I attended four of the M. E. A. Conventions. I was at Billings and Wolf Point. At both conventions I was able to secure a room where I could talk to the teachers privately. I was quite busy at both conventions. Harry also had a large number of callers in both Missoula and Great Falls.

I spent the week of October 1-6 in northeastern Montana. I talked to teachers in Plentywood, Scobey, Fairview, Medicine Lake, Wolf Point and Glasgow. I also held personal conferences and did estimates for the teachers in the Butte system on November 6th through 9th. Most of the experienced teachers will receive over \$190 per month at retirement. The classroom teachers in Butte with B. A. Degrees are receiving over \$5,000 this year.

Since October was our only month of income, our investments this quarter have been limited. We were able to pick up the previous mortgage commitments to the Montana Bank and Streeter Brothers. Also, we purchased \$40,000 worth of Gallatin County H. S. Bonds at 3.25 per cent. The percentages at the end of November are as follows:

U. S. Treasury	46%
Mortgages	39%
State & Municipal Bonds	15%

We will have approximately \$400,000 to be invested before the next meeting.

RESOLUTION NO. 31

BE IT RESOLVED THAT, The First National Bank and Trust Company and The Union Bank and Trust Company of Helena, Montana, as designated depositaries of The Teachers' Retirement System and they are hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this State Department's name, including those payable to the individual order of any person or persons whose name or names appear thereon as a signer or signers thereof, when bearing or purporting to bear the facsimile signature(s) of any two of the following:

Harriet E. Miller

Harriet E. Miller

J. L. Gleason

J. L. Gleason

Anna L. Fulton

Anna L. Fulton

John L. Savage

John L. Savage

Raymond A. Gerber

Raymond A. Gerber

and the First National Bank and Trust Company and the Union Bank and Trust Company of Helena shall be entitled to honor and to charge this State Department for such checks, drafts or other orders, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facimile specimens duly certified to or filed with the First National Bank and Trust Company and the Union Bank & Trust Company of Helena, Montana, by the Secretary or other officer of The Teachers Retirement System.

John L. Savage

John L. Savage

Raymond A. Gerber

Raymond A. Gerber

Anna L. Fulton

Anna L. Fulton

J. L. Gleason

J. L. Gleason

Harriet E. Miller

Harriet E. Miller

Convention,
National Council on Teacher Retirement

Atlantic City, New Jersey
February 14-17, 1957

The number of sessions this year was cut back to the usual five after the six sessions of last year. In general I thought that the Convention was not as informative as the last two I attended.

The first session was devoted to a description of two large retirement offices--the Ohio System and the City of Detroit. The speakers showed slide pictures of their offices and fixtures. I had hoped to get some ideas for our enrolling card file from this session as our present system has approached a point where action must be taken. However, their systems were too large for our present membership and the size of our office staff to be of much help to us. The speakers, I am sure, were mainly showing off new quarters rather than methods as I have found Secretaries reluctant to talk about the forms and procedures used by their Systems.

The remainder of this session was taken by Daniel Kelly of Salomon Bros. who explained the present corporate and government bond market and supplied his ideas on the future of both.

The Friday morning session was devoted to a review of NCTR functions, achievements and goals and a report of amendments in Retirement Systems throughout the country. I think the NCTR move toward consideration of retired teachers' problems is wise because it seems that in most states the teacher is forgotten after she retires. Also, I think they should make an effort toward social preparation for retirement in addition to financial preparation.

The afternoon session on Friday was devoted to a review of teachers' retirement in the nation from the actuary's standpoint. The prognosticator of the panel painted a rosy picture and pointed out all the features a good system would have in the future. Our System has most of those features already.

The Saturday morning session was on Social Security. The Research Division reported that twenty-one states now have Social Security in one form or another, four states are in the process of adding it and twelve states are considering or are making strides along that line. Mr. Meyer, the chief actuary for the Social Security Administration, gave a talk on the history of the financing of the program and forecast the financial needs to meet the present demands. Mr. Bartlett, who heads the Claim Division, explained the new disability program.

The afternoon session on Saturday was, as usual, the business meeting with the annual luncheon and the reports of all the standing committees.

You may remember that at our last Board meeting I requested permission to attend the Convention in St. Louis. I was mixed up on dates as the regional meeting of School Administrators is not until 1958, when the group is scheduled to meet in San Francisco.

EXECUTIVE SECRETARY'S REPORT

March 16, 1957

The normal routine of the office has maintained its schedule and we are up-to-date on our posting. Extra tasks this quarter have been-- notification of teachers reaching age seventy, requests for delinquent payments from clerks and the calculation of interest payments for the annuity savings accounts. We have had quite a few additions to the retirement rolls which have been offset by an increase in the number of deaths of retired teachers.

The normal growth of the System has caused a problem in handling the enrolling cards. We now have about seventeen to eighteen thousand cards on active and inactive teachers. Under the present system we will need additional filing space and another table to hold the card file. I have become dissatisfied with the present blind filing system and after some thought I feel the system we are now using must be changed to handle our situation. From my study of our needs and of the filing systems available I believe that the best procedure is to have one folder containing all the papers from each teacher (active and inactive) and a line index to locate the teacher's present account record. It has been my usual procedure to place the request for new equipment at the June meeting but to have the system changed over by the 1st of September we must begin now so I have a request for this new equipment in the Agenda.

The legislature has changed the hours for state offices to 8:00 - 5:00 week days and closed on Saturdays. If the employees are required to work forty hours a week, they will be working an additional thirteen days a year. From inquiries to the different offices it appears that salary increases will be given to compensate for the extra working time. All bills on increased mileage and per diem were killed except for sheriffs and elected officers traveling out of state. The bill to permit the System to purchase up to 50 per cent of our portfolio in mortgages has been signed by the Governor and is in effect now. At the present interest and discount rates on mortgages it might be advisable to sell some governments and to bring the mortgage percentage to near 50 now. Feeling that you may want to do this, I have had the agencies send us larger offerings this quarter.

HB 283, which did not become law, had an interesting history. It was introduced to remove the compulsory retirement age for University professors. It was promptly killed in committee in the House. Just before the deadline for exchange of bills between the two houses, it was revived with two changes-- removal of the compulsory retirement age for all teachers and removal of the salary ceiling for the individual units of the University system if each group voted in favor of such a move. It came out of the House committee and immediately passed and went to the Senate. It was at this point they contacted me for information regarding the effect on our System. After a lengthy discussion it was agreed that we would not oppose the

bill, providing, after a study of cost was made, the Board could increase the expense contribution from the greater University units to cover the increased cost resulting from the removal of the salary ceiling. However, the bill did not come out of committee.

In our study of the University group in the Retirement System I found that they comprise 10 per cent of our total membership and $9\frac{1}{2}$ per cent of our retired teachers. They pay 11 per cent of the total employer contribution and receive about 12 per cent of the total retirement payroll--\$8,224.54 per month.

Travel this past quarter was limited to the trip to Atlantic City. I made the trip by air and was out of the office $3\frac{1}{2}$ days for a three-day convention. I also noted that the plane fare was about \$6 less than the train fare without counting meals.

RETIREMENT BOARD MEETING

March 16, 1957

The meeting was called to order at one-thirty by the Chairman, Mr. John L. Savage. Also in attendance were Mr. Raymond Gerber, Mrs. Anna L. Fulton, Mr. J. L. Gleason, Miss Harriet E. Miller, Mr. Young--the Actuary and Mr. McKinny--the Executive Secretary.

Mr. Savage expressed the sentiments of the group in welcoming Miss Miller as a member of the Teachers' Retirement Board.

The minutes of the last meeting, having been read by the members, were approved following a motion by Mrs. Fulton and a second by Mr. Gleason.

Mr. McKinny read into the record a report on the NCTR Convention at Atlantic City. Mr. Gerber moved to approve the report. Mrs. Fulton seconded the motion which was approved.

The Executive Secretary read his quarterly report and following a short discussion concerning office hours, Mr. McKinny was instructed to notify the county superintendents, the city superintendents and other interested groups that the office would be closed on Saturday mornings except by previous appointment. Mr. Gerber moved the approval of the report and Mr. Gleason seconded. Approval was unanimous.

The Financial Report was approved on a motion by Mr. Gleason and a second by Mrs. Fulton.

Mr. Gerber moved the approval of the retirement payroll (approximately \$67,500 monthly) and the office payroll (approximately \$2,200 monthly). Mrs. Fulton seconded the motion which was approved.

The Board reviewed the activity of the Attorney General's office in regard to the removal from the classroom of teachers over age seventy. It was felt that this problem should be handled through the local school boards as it is their duty to require the teacher to conform to the law (75-1632 (1015)). The Secretary was instructed to suggest to the Attorney General's office the possibility of pursuing the case along that line.

The Board next considered the request of Louis Schnebly to cancel his present membership because he had chosen exemption in 1937. Mr. Gleason moved that Mr. Schnebly be informed that there was no authority in the retirement law to grant such a request for payments made after he had signed an enrolling card and became a member. However, he would not have to continue paying for back membership and any such payments made previously could be refunded. Mr. Gerber seconded the motion which was adopted.

The law now permits the investment of 50 per cent of our portfolio in mortgages. After discussion, Mr. Gerber moved that the Board should limit the

purchases of mortgages to 43 per cent of our portfolio. Mr. Gleason seconded the motion which was approved. Mr. Gleason then moved that the present mortgage offerings submitted by the agencies be examined by Mr. Young and Mr. Weigand of the Western Life to establish the present market value and to purchase the offerings at that value with the approval of the Finance Committee.

Mr. Gleason moved the approval of the following equipment:

67	Linedex Frames	@ \$	4.44	\$	297.48
2	Desk Stands	@	29.00		58.00
4	5 Drawer-File Cabinets	@	137.50		550.00
1	50 x 30 Table	@	108.50		108.50

Miss Miller seconded the motion which was unanimously approved.

Mr. Gleason moved the approval of the following interim retirements:

1.	Helena Cotter	Vested Right	\$	70.59
2.	Annette Meyers	Carter		88.16
3.	Adama Guslander	Big Horn		34.45
4.	Zula Carey	Vested Right		33.42
5.	Mary Elrod Ferguson	State University		97.33
6.	R. E. Cameron	Vested Right		158.20

Mrs. Fulton seconded the motion.

Mr. Gerber moved the approval of the following applications for retirement benefit:

1.	George W. Gustafson	State College	\$	120.97	
2.	Delia Carolan	Rosebud		85.00	Option #3
3.	Kathryn Geiger	Vested Right		151.56	
4.	Arlene Mosier	Vested Right		79.35	
5.	Mildred Thorsen	Richland		140.42	
6.	Frank Harrington	State College		205.18	May
7.	Harriet Culbertson Anderson,	Vested Right		67.46	April
8.	Lydia Carpenter	Jefferson		65.11	
9.	Lillian Hamann	Lincoln		30.68	

Mrs. Fulton seconded the motion.

Mr. Gerber moved the approval of the following applications for survivor's benefit:

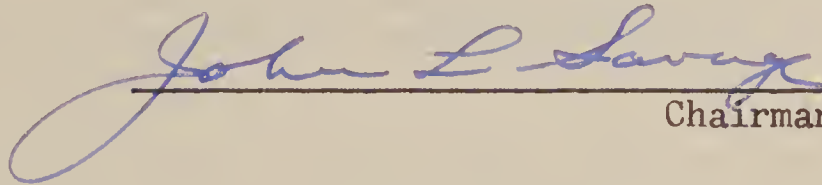
1.	Mrs. Hallie Russell, beneficiary of Hallie Russell	\$	18.31	
	& 2 minor children		<u>100.00</u>	\$ 118.31
2.	Swain Myrdal, beneficiary of Edythe Myrdal			125.30

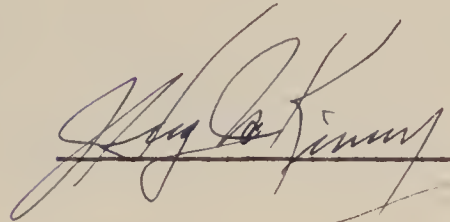
Mrs. Fulton seconded the motion.

All motions concerning benefits were unanimously approved by the Board.

On a motion by Mrs. Fulton and a second by Mr. Gerber the next meeting was set for 10:00 a.m., June 1, 1957.

The meeting adjourned at 3:30 on proper motion and second.


Chairman


Executive Sec'y

EXECUTIVE SECRETARY'S REPORT

June 1, 1957

At the end of this month The Teachers' Retirement System will have been in operation twenty years. In that time the total assets have grown to approximately \$13,240,000.00. Most of the growth has taken place in the last 10 years as in 1947 the total assets were but two and one-fourth million. This, of course, is explained by the raising of the salary ceiling in 1949. The Annuity Savings Fund (teachers' contributions) now comprise 8,507 accounts which total \$8,814,000.00 and the Pension Fund now totals \$3,250,000.00.

The System adopted a liability of 230 retired members from the old System and of this number 74 are still living. At the present time there are 787 members receiving benefits. The average check--regardless of the number of years of teaching or the option of payment--is now about \$88.00. In the past 20 years we have paid out \$8,822,974.39 in retirement benefits.

The work in the office this past quarter has progressed smoothly and we are right up-to-date. The line index has been completed and this is much sooner than I expected. The task of rearranging the files is also coming along nicely. It is taking more space than I originally anticipated. It seems that only one teacher in four has more than four years in Montana so we are having to set up more folders which will require more file space. Thus, I have requested permission to purchase two more 5-drawer files.

I have also requested permission to purchase 10 transfer cases to handle our older records--6 to handle this past year's records and 4 to replace the old paper transfer cases that are deteriorating. There is also a request for a new electric typewriter for the secretary, Mrs. Morris. Her present machine is 4 years old. I originally planned to trade the other electric in on the new machine but after seeing how much better work it did on the line index than a standard machine, I feel that it is best to have the old machine on Mrs. Lee's desk.

Since the last meeting we have invested our funds as follows:

Mortgages

Streeter Bros.	\$	50,873.71	@	97
Union Bank & Trust Co.		218,914.81	@	95 & 95 $\frac{1}{2}$

Municipals

Judith Basin, Dist. #12	\$ 38,500.00	4 1/8%	3.7 - 3.75%
Pondera Co. Hospital Bonds	78,500.00	3.875%	3.20%
City of Whitefish	49,000.00	4 1/2%	3.85%
Dawson Co. Dist. #1	13,000.00	4	3.60%
Lewis & Clark Co. Road Bonds	55,000.00	3.4%	3.15%

We also have commitments to buy:

Yellowstone County Dist. #26	\$ 54,000.00	4 1/2%	4.00%
Pondera Co. Dist. #10	9,000.00	4%	3.55%
Toole County Co. Hospital Bonds	6,800.00	4 1/4%	3.30%
Hill County Dist. #16	107,200.00	4 1/4%	3.75-3.95%
Silver Bow County Co. Hospital	110,000.00	3.6%	3.6%
Fallon Co. Dist. #2	10,000.00	4 1/4%	3.8%

Travel this past month has consisted of a trip to Missoula to do estimates for the teachers at the Missoula County High School and trips to Billings, Glendive and Great Falls to check our new mortgage purchases prior to the annual examination by the Bank Examiners.

The first twenty-five retirement allowances calculated this year showed an average retirement check of \$136.07. The average age was 64 1/2 and the average years of service was 30. Last year the average check was about \$3 less, the age about the same and years of service was just over 31.

RETIREMENT BOARD MEETING

June 1, 1957

The meeting was called to order by the Chairman, Mr. John L. Savage at 10:00 a.m.. In attendance were Mrs. Anna L. Fulton, Mr. J. L. Gleason, Miss Harriet E. Miller, Mr. Floyd E. Young--the Actuary and the Executive Secretary--Mr. J. Hugh McKinny.

The minutes of the last meeting were approved on a motion by Mrs. Fulton and a second by Miss Miller.

The Executive Secretary presented his report on the activities of the office for the past Quarter and it was placed in the record on a motion by Mrs. Fulton and a second by Mr. Gleason.

Mr. Gleason moved the approval of the following approximate payrolls for the month of July, August and September:

Pension	\$ 68,250.00
Office	2,275.00

These amounts to be subject to additions authorized later in the meeting.

Mrs. Fulton seconded the motion which was unanimously approved.

The Board next discussed the problem of the teachers over age seventy who were employed in the schools of the state. Mr. McKinny reported the action of the Attorney General's office and also advised the Board that two of the three teachers involved had applied for retirement benefits. Mr. McKinny was instructed by the Board to request an opinion by the Attorney General as to the legality of collecting employer contribution from the districts involved.

Next, the Board considered the requests of Goldie Saxtorph of Lewistown and Catherine Hunt of Butte for retirement credit while on Sabbatical Leave. Mr. Gleason moved (since Sabbatical Leave is granted generally for educational or other defined purposes) that the teacher be given credit for paid Sabbatical Leave and be given credit for that part of her salary on which both employer and employee contributions are paid. Mrs. Fulton seconded the motion which was unanimously approved.

On a motion by Mr. Gleason, Mr. McKinny was given instructions to proceed in setting up a Servicing Agreement with the First West Side National Bank of Great Falls and to secure the proper signatures. Miss Miller seconded the motion which was also approved.

The Board considered the mortgage offerings from Streeter Bros. and the Daly Bank. Mr. Gleason moved that the approval be left to the Finance Committee. Mrs. Fulton seconded and the motion was adopted.

Miss Miller moved the purchase of the following items of equipment, on the recommendation of the Executive Secretary, at the approximate prices as listed:

10	Transfer Cases		\$ 77.50
1	Underwood Electric Typewriter	\$ 420.00	
	less trade-in	<u>22.50</u>	
			397.50
2	5-Drawer File Cabinet @ \$137.50 each		<u>275.00</u>
	Total		755.00

Mrs. Fulton seconded the motion which was approved.

The Secretary presented the following estimated budget for the fiscal year 1957-58:

Salaries	\$ 28,050.00
PERS	1,560.00
Postage	1,000.00
Supplies	1,500.00
Maintenance	1,200.00
Board	725.00
Rent	1,026.00
Travel	<u>1,200.00</u>
	\$ 36,261.00

Mrs. Fulton moved the approval of the budget. Mr. Gleason seconded the motion which was carried.

It was moved by Mrs. Fulton and seconded by Mr. Gleason that the following salary adjustments be approved and effective July 1, 1957, and that the budget be amended to include the salary and the employer contribution increment on them. The motion was unanimously approved.

	<u>Annual</u>	<u>Month</u>
Mr. McKinny	\$ 6,564.00 - 7,000.00	(\$547.00 - \$583.33)
Mr. Spraycar	5,040.00 - 5,250.00	(\$420.00 - \$437.50)
Mrs. Lee	3,156.00 - 3,300.00	(\$263.00 - \$275.00)
Miss McKenna	3,468.00 - 3,600.00	(\$289.00 - \$300.00)
Mrs. Wilcox	3,276.00 - 3,400.00	(\$273.00 - \$283.33)
Mrs. Morris	1,980.00 - 2,040.00	(\$165.00 - \$170.00)
Mr. Young	2,400.00 - 3,300.00	(\$200.00 - \$275.00)

The Secretary requested that he be authorized to solicit permission from the Board of the Historical Library to destroy remittance sheets received for the school year 1946-47. Mr. Gleason moved that permission be granted and Mrs. Fulton seconded the motion which was approved.

Miss Miller then moved, following a request by the Secretary, that the System purchase up to \$25 per year in subscriptions to retirement and business publications. Mrs. Fulton seconded the motion which was approved.

The following applications for disability benefit were approved following a motion by Mrs. Fulton and a second by Miss Miller.

- | | | |
|----|-----------------|-----------|
| 1. | Dale Bohart | \$ 102.60 |
| 2. | Luella Lundberg | 90.37 |

Mrs. Edna Harmon was given permission to receive a survivor's benefit on her deceased husband's account (if she elected to make the request) on a motion by Mr. Gleason and a second by Miss Miller. The motion was approved.

The following applications for retirement benefits were unanimously approved on a motion by Mrs. Fulton and a second by Miss Miller:

- | | | | | |
|-----|-------------------------------|---------------------|----------|---------|
| 1. | Ahlgreen, Edith E. | Sanders | \$ 65.39 | |
| 2. | Bartlett, Sophia S. | Cascade | 66.49 | Opt. #2 |
| 3. | Boelter, Hulda J. | Wheatland | 146.13 | |
| 4. | Carville, Edna | Richland | 122.57 | |
| 5. | Falligan, Ella A. | Missoula | 173.66 | |
| 6. | Frost, Edith L. | Fergus | 145.48 | |
| 7. | Gorton, Breta | Hill | 126.12 | |
| 8. | Haines, Martha | Cascade | 194.44 | |
| 9. | Holmes, Sarah A. | Powder River | 118.94 | |
| 10. | Jacobs, Bertha | Stillwater | 111.24 | Opt. #2 |
| 11. | Johnson, A. Lucia | Yellowstone | 226.32 | |
| 12. | Kirkeide, Jeanie B. | Blaine | 99.64 | |
| 13. | Kjerstad, Clara | No. Montana College | 117.73 | Sept. |
| 14. | Lauer, Ernest | State College | 41.66 | Opt. #2 |
| 15. | Lausted, Alice | Yellowstone | 197.29 | |
| 16. | Livdahl, Sanna J. (Mrs. Carl) | Valley | 82.82 | |
| 17. | Long, Elizabeth | Beaverhead | 37.66 | |
| 18. | McCorkle, Panayiota A. | Toole | 37.26 | |
| 19. | Mead, L. Vincent | School of Mines | 47.89 | |
| 20. | Reynolds, L. Vera | Yellowstone | 180.79 | |
| 21. | Miller, Sue Collings | Musselshell | 47.96 | |
| 22. | Milne, Emma | Lewis & Clark | 131.65 | |
| 23. | Nicol, Ruth J. | Silver Bow | 201.33 | |
| 24. | Pegram, Josephine | Rosebud | 65.72 | |
| 25. | Rafferty, Anne | Missoula | 189.15 | |
| 26. | Rice, Burney | Silver Bow | 192.53 | |
| 27. | Rideout, Irene | Pondera | 28.87 | |
| 28. | Scott, Agnes | Missoula | 190.70 | |
| 29. | Sharp, Mabel | Deer Lodge | 229.60 | |
| 30. | Sheridan, Helen | Park | 76.67 | Opt. #2 |
| 31. | Sugg, Andrew I. | Missoula | 156.64 | |
| 32. | Welton, Myrtle E. | Yellowstone | 137.48 | |
| 33. | Baldwin, Elsie | Yellowstone | | |
| 34. | Fisher, Ruth | Toole | | |
| 35. | Flagel, Edith | Judith Basin | 60.29 | |
| 36. | Hartman, Laura | Silver Bow | | |
| 37. | Haugan, Blanche | Stillwater | | |
| 38. | Irle, Raymond L. | Valley | | |
| 39. | Kuhnes, Katherine | Chouteau | 110.38 | |

40.	Lear, Lillian	Glacier	
41.	Leonard, Lewis Y.	Sanders	
42.	Luthje, Catherine	Ravalli	
43.	Nagle, Margaret	Silver Bow	
44.	Rhodes, Golda Mae	Cascade	
45.	Ryan, Mary	Ravalli	
46.	Smith, Gladys M.	Toole	74.54 Opt. #3
47.	Smith, Lilah J.	Lincoln	63.92

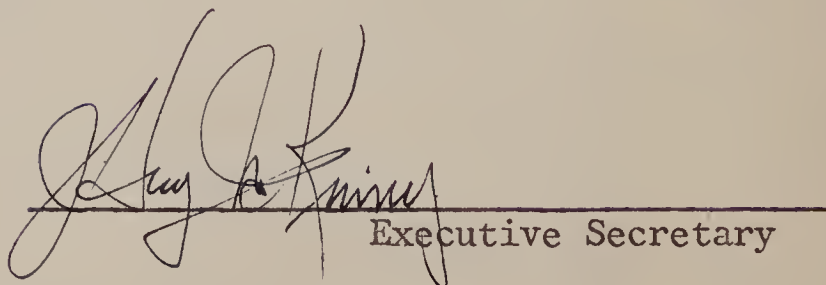
The organization of the Board for 1957-58 was next on the agenda. Mr. Gleason nominated Mr. Savage to be Chairman for 1957-58. Miss Miller seconded. There being no other nominations, Mr. Gleason moved that Mr. Savage be elected. Miss Miller seconded and the vote was unanimous.

Mrs. Fulton nominated Miss Miller to be Vice Chairman during the year 1957-58. Mr. Gleason seconded. There being no other nominations, Mrs. Fulton moved that Miss Miller be elected. Mr. Gleason seconded and the vote was unanimous.

Following a discussion on working conditions in the office and the cost of air-conditioning units, a motion was made by Miss Miller and seconded by Mrs. Fulton that air-conditioning units be purchased for the three western exposed rooms and that the cost be limited to \$750 which it was felt was ample.

The Board then set the date of the next meeting for September 14, 1957, at 1:30 p.m. and adjourned at 11:50 a.m. on proper motion and second.


Chairman


Executive Secretary

HS
7-22-57



TO LOCK
PERMANENTLY
← Push down spur
with a blunt
instrument. →

